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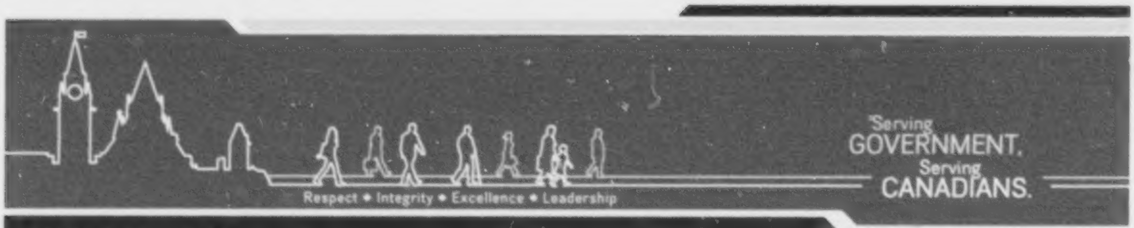
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2012–13
DEPARTMENTAL PERFORMANCE REPORT

Diane Finley, PC, MP
Minister of Public Works and Government Services

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Alexandra Bridge photo credit: Steve Slaby

Minister's Message

As the newly appointed Minister of Public Works and Government Services, I am pleased to present Public Works and Government Services Canada's (PWGSC) *2012-13 Departmental Performance Report* for the period ending March 31, 2013.

Consistent with our Government's priorities of job creation, economic growth and long-term prosperity for Canadians, PWGSC has been focusing energy on the things that drive that – such as innovation, cost savings, and reducing red tape. These are important for companies who want to do business with government and equally for Canadian taxpayers who expect government to streamline processes and ensure best value in purchases.

Over the past fiscal year, we have continued initiatives such as the Build in Canada Innovation Program and supporting business through the Office of Small and Medium Enterprises. We continue to strategically manage our real property portfolio of federal accommodation assets as well as several infrastructure projects including bridges, dams and federal structures. The ongoing work under these initiatives supports the department's commitment to helping contribute to a more robust economy and creating jobs.

Our Government is committed to rebuilding Canada's Armed Forces by giving them the equipment that they need at the best value for Canadian taxpayers. PWGSC plays an important role in this through procurement and we are continually looking for ways to improve the way that the Government purchases military equipment. We want to make the process faster with less administrative overhead while maximizing job creation and ensuring principles of fairness and transparency for Canadians.

That also includes ensuring consequences when people break the rules. Our Government has put tough new measures in place to take action against companies or individuals who have been convicted of criminal offences by making it clear that they will no longer be able to bid on PWGSC contracts. If we suspect wrongdoing in any of our contracts or real property transactions, we will not hesitate to fully assist any investigation by the Royal Canadian Mounted Police or the Competition Bureau.

In addition to this important work, PWGSC has also put a great emphasis on efficiency and modernization. The Transformation of Pay Administration Initiative will replace the outdated pay system, streamline business processes and consolidate pay services. We successfully completed the implementation of the Transformation of Pension Administration Initiative on scope and on budget, replacing antiquated infrastructure, and putting in place a new pension administration system and new business processes. Modernization is also underway at the Receiver General for Canada, involving, among other things, the transition to direct deposit, resulting in millions of dollars in savings.

Although we have much yet to do, I am pleased with the progress outlined in this report. I look forward to continuing this work, on behalf of Canadians and their hard-earned tax dollars, into the future.

Diane Finley, PC, MP
Minister of Public Works and Government Services

Section I: Organization Overview

Raison d'être

Public Works and Government Services Canada (PWGSC) plays an important role in the daily operations of the Government of Canada. The Department is its treasurer, accountant, central purchasing agent, linguistic authority, and real property manager. The department's vision is to excel in government operations, and its mission is to deliver high-quality services and programs that meet the needs of federal organizations and ensure sound stewardship on behalf of Canadians.[1]

Responsibilities

The Department, founded in 1841, was instrumental in the building of our nation's canals, roads and bridges, the Houses of Parliament, post offices and federal buildings across the country.

Today, we have evolved into a sophisticated operational arm of government that employs approximately 11,700 people working in locations across Canada and headquartered in the National Capital Area.

The *Department of Public Works and Government Services Act*, passed in 1996, established the Department and set out the legal authorities for PWGSC's services. The Act established PWGSC as a common service organization providing government departments, boards and agencies with support services for their programs, including:

- Procurement;
- Office accommodation and facilities;
- Architectural and engineering services;
- Construction, maintenance and repair of public works and federal real property;
- Linguistic authority; and
- Industrial security screening.

The Minister of PWGS serves as the Receiver General for Canada and is responsible for maintaining the Accounts of Canada and producing the Public Accounts. The Minister also has the authority for the administration of services related to benefits, superannuation, pension plans, and the disbursement of pay to federal employees.

Our goal is to manage our business in a way that demonstrates accountability, transparency, and adds value for our clients. In doing so, PWGSC:

- Injects more than $14 billion annually into the Canadian economy through government procurement;
- Handles over $2.2 trillion in cash flow transactions through the Receiver General function;

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[1] In 2012-13, Public Works and Government Services Canada transferred to Shared Services Canada the control and supervision of operational domains along with the associated funding. As a result, the text, 'enabler of access to government services online' was removed from our Raison d'être.

- Issues more than 14 million federal pay and pension payments;
- Provides accommodation to parliamentarians and more than 272,200 public servants in 1,795 locations across Canada;
- Provides translation and interpretation services, annually, for more than 1,700 parliamentary sittings and parliamentary committee meetings, and translates more than one million pages of text on behalf of other federal organizations; and
- Processes and images more than 23 million pages, annually, for federal government departments and agencies.

The portfolio of the Minister of PWGS includes two Crown Corporations: Canada Lands Company Limited; and Defence Construction Canada. It also includes Shared Services Canada, which reports separately. The Office of the Procurement Ombudsman (OPO) also reports to the Minister and operates independently. Details of their operations are provided in separate annual reports that are tabled in Parliament by the Minister.

Strategic Outcome and Program Alignment Architecture

PWGSC's Program Alignment Architecture (PAA), as approved by the Treasury Board, supports our strategic outcome to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions. The following table lists the programs that comprise PWGSC's PAA.

PWGSC Program Alignment Architecture

Program	Sub-Program
Acquisitions	Procurement Services
	Customized/Unique Procurement Services
	Strategic Acquisition Support Services
	Seized Property
	Canadian General Standards Board
	Crown Assets Distribution
	Shared Travel Services Initiative
	Marine Inspection and Technical Services
Accommodation and Real Property Services ⓖ	Federal Accommodation
	Federal Holdings
	Professional and Technical Services
	Disposition Incentives
	Payments in Lieu of Taxes
	Parliamentary Precinct
	Sydney Tar Ponds Coke Ovens Remediation Project
Receiver General for Canada	Stewardship of Public Money and Accounts of Canada
	Receiver General Services
	Document Imaging Services
Information Technology Infrastructure Services*	
Federal Pay and Pension Administration	Pay
	Pension
Linguistic Management and Services	Management of Translation Function
	Terminology Standardization Program
	Translation and Other Linguistic Services
	Translation and Interpretation to Parliament
	Conference Interpretation
Specialized Programs and Services ⓖ	Industrial Security Program
	Government Information Services
	Government Consulting Services
	Shared Services Integration
	Audit Services Canada
	Forensic Accounting
	Greening of Government Operations
	Ministers' Regional Offices
Procurement Ombudsman**	Review of Procurement Practices
	Supplier Complaints
Internal Services ⓖ	

* The creation of Shared Services Canada was announced in August 2011. That organization now carries out those activities which were previously the responsibility of PWGSC.

** Although it is a program of Public Works and Government Services, The Office of the Procurement Ombudsman is required to operate in an impartial and independent manner. The details of its operations and performance results are provided in the Procurement Ombudsman's annual report, which is tabled in each House of Parliament by the Minister of Public Works and Government Services following the fiscal year in accordance with legislative requirements.

Note: The visual identifier ⓖ denotes areas of contribution to the Federal Sustainable Development Strategy (FSDS).

Contribution of Priorities to Strategic Outcome

PWGSC has three organizational priorities that support the strategic outcome: Delivering Efficient and Effective Services; Transforming Critical Infrastructure; Ensuring Sound Stewardship and Management Excellence. These are described in the Organizational Priorities table, and are also reflected in the program planning highlights in Section II of this report.

PWGSC's Client Service Strategy

PWGSC's Client Service Strategy supports both the "quality services" and "sound stewardship" aspects of PWGSC's Strategic Outcome. This department-wide initiative, now in its fourth year of implementation, consists of six pillars:

- Service Agreements;
- Service Standards;
- Client Satisfaction;
- Client Engagement;
- Service Culture; and
- Innovative Service Offerings.

Building on the progress made over the past year, each pillar of this strategy has been further implemented in 2012-13 in all business branches.

PWGSC engaged client departments to develop and ratify service agreements and publicized its commitments to service performance in an annual report, Our Services, Standards and Results[i]. It published a Client Engagement Framework, which presents a consistent set of principles and practices to guide the Department's interactions with its clients, including consultation activities and dissemination of results. PWGSC also introduced client service training courses for employees and developed a client service competency against which to assess employee performance.

This year, we continued to make progress towards our goal of building a common department-wide approach to client service management. Consultations with client departments are helping to refine service priorities and expectations, improve client satisfaction measurement, facilitate better client engagement, and introduce a more systematic approach to the ongoing development of a client service culture at PWGSC.

Organizational Priorities

Priority	Type	Programs
Delivering Efficient and Effective Services	Ongoing	• Acquisitions • Federal Pay and Pension Administration • Receiver General for Canada • Linguistic Management and Services • Specialized Programs and Services
Summary of Progress		
PWGSC continued to improve procurement by applying the Smart Procurement approach to its procurement business and by leveraging digital technology to provide tools and information to improve service delivery, while reducing the cost and process burden for clients, suppliers, and the PWGSC		

procurement workforce. Together, Smart Procurement and the better use of technology result in better outcomes for clients, suppliers, the Government of Canada and Canadians.

The department continued to develop client e-tools, enabling departments and agencies to access PWGSC procurement instruments and resources to process many of their own transactions under their delegated authorities. Supplier e-tools were also developed to ease the burden of the federal procurement process. PWGSC made full use of early and sustained engagement with key stakeholders throughout the development and implementation of these e-tools and services.

PWGSC continued to develop and strengthen its relationships with Canadian suppliers by providing access to better procurement information as well as increasing its supplier engagement through new innovative service delivery methods, industry days and other events. The Canadian Innovation Commercialization Program (CICP) – now renamed Build in Canada Innovation Program (BCIP) – also supported Small and Medium Enterprises (SMEs) by providing them with opportunities to test their innovations within federal operations as they bridge the pre-commercialization gap for their innovative goods and services and move towards commercialization. These efforts have improved SME's participation in federal procurement activities.

In 2012-13, PWGSC completed the definition phase and initiated the implementation phase of the Pay Modernization Project, a component of the Transformation of Pay Administration Initiative. The transfer of pay administration services from other departments to PWGSC's Public Service Pay Centre is progressing successfully with 146 new employees in place and delivering services using new technology and tools to 10,400 employee pay accounts from twelve departments.

PWGSC successfully completed the implementation of the Transformation of Pension Administration on scope and on budget, replacing outdated infrastructure, and putting in place new pension administration systems and business processes. The new pension solution increases pension administration efficiency resulting in an across-government annual saving of $23M to date, with an additional $6M to be realized by 2016-17.

PWGSC successfully promoted Document Imaging Services, based in Matane, Quebec, achieving an 85% increase in volumes from prior years. Document Imaging delivers industry leading document imaging services to federal government departments and agencies, and expanded business development activities to further reduce costs for clients and increase capacity, flexibility and reliability.

In support of PWGSC's objective to continue to modernize and transform the Industrial Security Program's operations, the department continued to identify and implement solutions for a more streamlined and cost-effective process for both government and the private sector. Specifically, PWGSC implemented new standard operating procedures, introduced document imaging and piloted security screening pre-clearances with trade councils to facilitate their access to skilled trades people.

To enhance procedures for domestic security of controlled goods, the department continued to work closely with its government partners and industry stakeholders to ensure ongoing implementation of the Controlled Goods Program's Enhanced Security Strategy (ESS). All activities associated with the enhancements which did not require regulatory amendment have been implemented. These include increasing the robustness of the registration process, tightening security assessment procedures for both government and industry and augmenting compliance-related activities.

The department has kept stakeholders informed via multiple forums and engaged its clients through exhibits, trade shows and targeted industry clients through a series of presentations and specialized training sessions pertaining to our contract security services, including personnel security screenings and organization security screenings.

PWGSC has continued to implement the Translation Bureau's transformation initiative in order to modernize the organization and provide it with a solid foundation for the future. The transformation measures to consolidate Translation Bureau's office space, optimize its administrative processes and capitalize on technological advances resulted in a 3.3% increase in productivity and savings of nearly $8 million in 2012-13.

Priority	Type	Programs
Transforming Critical Infrastructure	Ongoing	Accommodation and Real Property Services

Summary of Progress

PWGSC continued to strategically manage its real property portfolio of federal accommodation assets by initiating cost effective, sustainable and affordable capital projects for its inventory of engineering assets (which includes bridges, dams and part of the Alaska Highway) to address identified health and safety issues.

Significant progress was made on the department's state of the art real property information technology system (NOVUS). Design and implementation plans were finalized and related change management, stakeholder engagement, and a comprehensive communications package (networks, activities, products and tools) were developed.

PWGSC strengthened its relationship and communication channels with client departments, positioning itself as a strategic partner and trusted advisor, and provided leadership in advancing the goals of the department's Client Service Strategy.

PWGSC has improved performance measurement through the review of existing metrics to ensure evaluation and reporting on the performance of our business as a whole. PWGSC continues to receive a "green" rating for its Management Accountability Framework Area of Management 2: Managing for Results.

The Department supported the Clerk of the Privy Council's commitment to workplace renewal by advancing its workplace modernization initiative, Workplace 2.0. This initiative will provide public servants with modern work environments, policies that allow flexibility in where they work, and support them with the necessary processes, tools and systems to better serve Canadians. A gender-based analysis has been completed, a change management toolkit issued, and new furniture solutions have been developed to support the implementation of this initiative and the projects that are underway.

PWGSC continued to develop and implement its Long Term Vision and Plan (LTVP) projects, on time, on scope and on budget, with rehabilitation work focused primarily on the West Block, the Sir John A. Macdonald Building and the Wellington Building. By March 31, 2013, PWGSC achieved a cumulative total project completion of 24% for the West Block, 31% for the Sir John A. Macdonald Building and 43% for the Wellington Building (these percentages refer to the proportion of the overall multi-year project and not the target of 12-13). In addition, PWGSC completed the upgrading of the Confederation Building's water and storm drainage systems and the design of the Centre Block's ventilation towers and completed 78% of the rehabilitation of the East Block's Northwest Tower. For additional details please see Section II of this document.

Priority	Type	Programs
Ensuring Sound Stewardship and Management Excellence	Ongoing	All Programs

Summary of Progress

In 2012-13, PWGSC delivered on its planned savings initiatives.

The Department continued to strengthen its financial management in order to achieve optimal use of resources through the implementation of initiatives. For example, PWGSC is integrating Real Property business requirements into the Department's Financial and Materiel Management System which is expected to result in increased efficiencies. Cost effective support is delivered to PWGSC's and Shared Services Canada's user communities through common Enterprise Resource Planning infrastructure, expertise and training.

In 2012-13, 95% of PWGSC affected employees were successfully placed or left the public service, with ongoing support provided to remaining employees. PWGSC also applied a broader range of human resourcing options, so as to contribute to increased flexibility in the workforce to better address budgetary constraints, adapt to variations in business volume and acquire the competencies required for the future.

The Department implemented key actions to further address challenges raised in the 2011 Public Service Employee Survey, such as increasing opportunities for leadership development, continuing to promote our People Management Philosophy and Commitments across the Department, and providing awareness sessions to managers and employees to prevent harassment and discrimination. In 2013, for a second consecutive year, PWGSC was named one of the National Capital Region's Top Employers[ii], which recognizes our efforts to remain a workplace of choice.

PWGSC's Information Technology Services Branch (ITSB) made significant progress in the development of its Enterprise Architecture Framework, designed to reduce the numerous legacy systems and adapt more modern information technology solutions. To reduce risks and ongoing costs of IT operations, the Department assessed all of its applications, identified opportunities to reduce duplication, and consolidated assets into an effective portfolio of technology investments.

On February 25, 2013, the Federal Sustainable Development Strategy (FSDS) Progress Report was tabled in Parliament. The progress Report shows that since 2010, 27 departments, including PWGSC, have made significant advances in laying the groundwork to reduce the environmental footprint of their operations. Good progress has been made government-wide in each of the 11 greening government operations target areas, including the reduction of Greenhouse Gas Emissions (GHG). In 2012-13, PWGSC took on a leadership role in coordinating the development of Theme IV for FSDS 2013-16. The draft targets and implementation strategies were successfully developed and released for the 120-day public consultation period that began February 15, 2013.

Risk Analysis

Risk	Risk Response Strategy	Link to Program Alignment Architecture	Link to Organizational Priorities
Implementation of Budget 2012 savings measures: There is a risk that the implementation of these savings and efficiency measures may reduce the Department's flexibility in meeting client needs.	The department-wide Client Service Strategy was developed and implemented in order to actively engage employees in the provision of quality services to our clients and in finding new ways to meet the challenge of reduced business volume for our services. Results are demonstrating increased client satisfaction, improved stewardship practices and timely financial decision-making.	All Program Activities	Delivering Efficient and Effective Services Ensuring Sound Stewardship and Management Excellence
Third Party Reliance: There is a risk that PWGSC's reliance on third party alliances, vendors and clients could affect its ability to exercise its mandate.	A more rigorous approach to manage revenues, expenditures and commitments was established and implemented (e.g. industry day – client/vendor engagement). This has served to improve working relationships with vendors and clients and to help our clients contain their costs.	Acquisitions Accommodations and Real Property Services Linguistic Management and Services Information Technology and Infrastructure Services**	Transforming Critical Infrastructure

Financial Sustainability*: As a common service provider to federal departments and agencies, there is a risk that fiscal measures may result in reduced demand for PWGSC services it provides on a cost-recovered basis, thereby reducing the department fee for service revenue, while its fixed costs remain.	A more robust Financial Management Framework was developed and implemented. Interim results indicate financial flexibility, improved stewardship practices and timely financial decision-making.	Acquisitions Accommodations and Real Property Services Linguistic Management and Services Information Technology and Infrastructure Services**	Ensuring Sound Stewardship and Management Excellence
Complex, Transformational and Interdepartmental Major Projects and Procurements: There is a risk that PWGSC may not successfully deliver complex, high level and interdepartmental major projects and procurements on time, within budget and scope (e.g. Transformation of Pay Administration Initiative, Consolidation of Pay Services Project, Alternative Forms of Delivery, etc.).	Management frameworks and governance models were developed and implemented to engage senior management, clients and central agencies. This has improved decision-making, contained client costs, reduced timelines, and met or exceeded service standards.	Acquisitions Accommodations and Real Property Services Information Technology and Infrastructure Services** Federal Pay and Pensions Administration Receiver General for Canada	Delivering Efficient and Effective Services Transforming Critical Infrastructure Ensuring Sound Stewardship and Management Excellence
HR Strategy*: There is a risk that the department will need to manage significant knowledge transfer and succession planning challenges. These challenges occur within the context of savings and efficiency measures implemented across the department.	PWGSC implemented departmental strategies to ensure the required workforce is in place to deliver its mandate, and to manage workload issues. In addition, to increase retention of the current workforce, the Department has developed strategies to be an employer of choice, which includes the *PWGSC People Management Philosophy* and its related commitments. The result is a high success rate of placing affected staff and retaining existing staff.	All Program Activities	Ensuring Sound Stewardship and Management Excellence

* Risks that were identified in the 2012-13 RPP. No substantial revisions were made to these risks in this fiscal year.

** The creation of Shared Services Canada was announced August 2011. The organization now carries out some of those activities which were previously the responsibility of PWGSC.

Risk Narrative

In 2012-13, there were five risks that were ranked using the risk matrix provided in the Treasury Board Secretariat's Guide[iii] to Corporate Risk Profile as having a medium to medium-high likelihood and impact on the achievement of our strategic outcomes. These risks were developed from a context of global economic uncertainty, the development of a more efficient and affordable public service and an evolving demographic profile. Our focus was to mitigate risks and maximize opportunities in the areas of financial sustainability and fiscal responsibility, the management of complex, interdepartmental projects and procurements and the delivery of quality services. These risks were directly linked to our role as a common service provider and our capacity to deliver quality services to our clients in support of their programs and services for Canadians.

PWGSC tracked and adjusted risks, risk responses, and opportunities accordingly, taking into account the impact of implemented responses and changes in the operating environment. Specifically, the Department has taken steps to implement a more robust Financial Management Framework and a more rigorous approach to the management of revenues, expenditures, forecasting and commitment monitoring. Interim results indicate financial flexibility, improved stewardship practices and timely financial decision-making. PWGSC has implemented service standards and a Client Service Strategy. This has served to improve working relationships and to help our clients contain their costs. The Department has also implemented departmental strategies to ensure the required workforce is in place to deliver its mandate, and to manage workload issues. In addition, to increase retention of the current workforce, the Department has developed strategies to be an employer of choice, which includes the PWGSC People Management Philosophy and its related commitments. The result is a high success rate of placing affected staff and retaining existing staff, as well as PWGSC being recognized in 2013 as one of the National Capital Region's Top Employers for a second consecutive year.

Moving forward, PWGSC is working to strengthen its risk management program. The Department is working to merge its Corporate and Operational Risk Profiles into one risk profile to better manage risks and opportunities and align them with our services. PWGSC reframed its document from a *Corporate Risk* Profile to a *Departmental Risk Profile*. Risks that were rated as low, but which could still have an impact, were consolidated with other risks; risks that were no longer of concern were removed. Consequently, the Department streamlined the number of departmental risks to 7 in 2013-14 from 16 in 2012-13 and 18 in 2011-12. New program performance indicators will be developed and implemented to better measure risk responses. Finally, PWGSC will continue its commitment to broaden its risk management culture by providing risk management advice and guidance as well as training to senior management and, specifically, managers and employees.

Summary of Performance

Financial Resources – Total Departmental ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending)
Gross Expenditures	5,640.8	5,950.3	6,500.4	6,100.8	(150.5)
Less Respendable Revenue	(3,276.5)	(3,276.5)	(3,633.9)	(3,363.3)	86.8
Net Expenditures	2,364.3	2,673.8	2,866.5	2,737.5	(63.7)

Totals may not add up due to rounding.

Human Resources (Full-Time Equivalents — FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
12,544	11,679	865

Performance Summary Table for Strategic Outcome and Programs ($ millions)

Strategic Outcome: High quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

Program	Total Budgetary Expenditures (Main Estimates 2012-13)	Planned Spending			Total Authorities (available for use) 2012-13	Actual Spending (authorities used)			Alignment to Government of Canada Outcomes
		2012-13	2013-14	2014-15		2012-13[2]	2011-12	2010-11	
Acquisitions	152.0	152.0	133.9	130.2	164.2	158.8	157.8	147.7	Well-managed and efficient government operations.
Accommodation and Real Property Services	1,708.0	2,012.8	2,117.1	1,903.8	2,094.0	2,011.6	1,963.6	2,259.4	
Receiver General for Canada	121.3	121.3	116.9	99.8	118.0	117.8	123.1	119.8	
Information Technology Infrastructure Services	9.4	9.4	-	-	-	-	7.7	33.7	
Federal Pay and Pension Administration	29.2	33.9	104.1	114.1	84.7	80.6	67.7	46.9	
Linguistic Management and Services	80.7	80.7	70.4	57.9	82.5	78.5	74.1	74.3	
Specialized Programs and Services	45.7	45.7	43.9	40.0	53.5	49.5	57.3	58.1	
Procurement Ombudsman	4.3	4.3	4.3	4.1	4.3	3.9	3.7	3.6	A transparent, accountable and responsive federal government.
Strategic Outcome Sub-Total	**2,150.6**	**2,460.1**	**2,590.6**	**2,349.8**	**2,601.2**	**2,500.7**	**2,455.0**	**2,743.5**	

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[2] In order to align with departmental authorities by Program, as presented in Vol. II of the Public Accounts, services provided without charge amounts for employer's contribution to employee insurance plans, such as the Public Service Health Care Plan and the Public Service Dental Plan provided by the Treasury Board of Canada Secretariat, accommodations provided by Public Works and Government Services Canada, Workers' compensation provided by Human Resources and Skills Development Canada and legal services provided by the Department of Justice are not to be included in this figure. This information is presented in Departmental Financial Statements only.

Performance Summary for Internal Services ($ millions)

Internal Services	Total Budgetary Expenditures (Main Estimates 2012-13)	Planned Spending			Total Authorities (available for use) 2012-13	Actual Spending (authorities used)		
		2012-13	2013-14	2014-15		2012-13	2011-12	2010-11
Internal Services	213.7	213.7	210.0	205.7	265.3	236.9	338.5	337.0

Totals may not add up due to rounding.

Total Performance Summary Table ($ millions)

Strategic Outcome(s) and Internal Services	Total Budgetary Expenditures (Main Estimates 2012-13)	Planned Spending			Total Authorities (available for use) 2012-13	Actual Spending (authorities used)		
		2012-13	2013-14	2014-15		2012-13	2011-12	2010-11
Grand Total	**2,364.3**	**2,673.8**	**2,800.7**	**2,555.5**	**2,866.5**	**2,737.5**	**2,793.5**	**3,080.5**

Totals may not add up due to rounding.

Actual Spending decreased from 2010-11 to 2011-12 primarily because of the completion of the Accelerated Infrastructure Program (AIP), which supported the government's Budget 2009 Economic Action Plan to stimulate economic growth.

The Main Estimates budget decreased significantly in 2012-13 mainly as a result of a permanent transfer of funds from PWGSC to Shared Services Canada following its creation in 2011 along with Budget 2011 savings measures.

The variance between 2012-13 Planned and Actual Spending of $63.7 million is primarily related to the implementation of the Transformation of Pay Administration Initiative as well as the Desktop Transformation Project.

The 2012-13 Planned Spending increased by $309.5 million from the Main Estimates. A significant portion is for the continued implementation of the existing multi-year rehabilitation of the Parliamentary precinct.

The 2012-13 Total Authorities were higher than Planned Spending due to increased utility, operation and maintenance costs of buildings housing government departments and agencies, as well as the increased funding for the Transformation of Pay Administration Initiative.

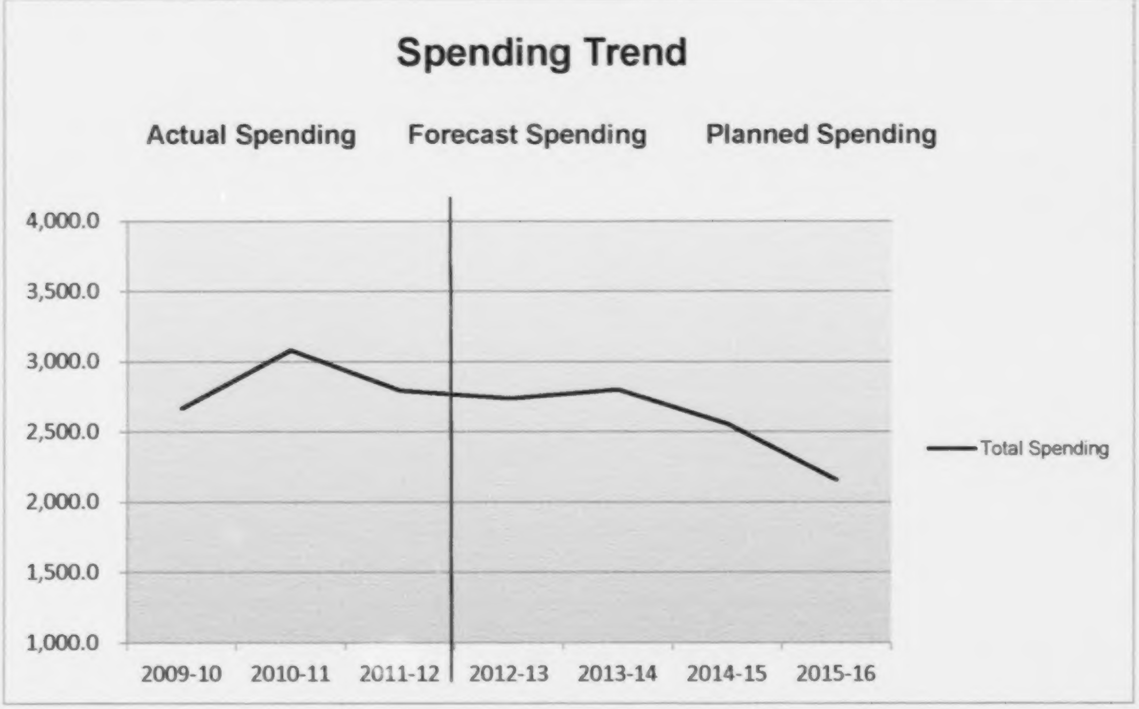
Actual Spending in 2012-13 was lower than Total Authorities due to revised project schedules, implementation of savings measures, and prudent management of funds.

In 2013-14, Planned Spending increases are due primarily to planned investments in Engineering Assets, the Transformation of Pay Administration, and the purchase of long-term leased buildings.

In 2014-15, Planned Spending will decrease primarily due to the completion of the Sydney Tar Ponds site remediation project, the conclusion of the purchase of Les Terrasses de la Chaudière building complex, and the continued implementation of savings measures.

Expenditure Profile

Departmental Spending Trend



The significant budget increase in 2010-11 is explained by the infusion of funding for the Accelerated Infrastructure Program (AIP) as part of Canada's Economic Action Plan, in Budget 2009, business volume increases, inflationary pressures and market conditions also factored into the increase. PWGSC saw a decrease in spending after 2010-11 because of the termination of the AIP.

The graph illustrates a stable spending trend from 2011-12 to 2013-14 with some increases in funding offset by decreases. Some of the increases are as a result of investments in the rehabilitation of Parliamentary precinct and the Transformation of Pay Administration Initiative. The Transformation of Pay Administration Initiative is the modernization of the pay system and the centralization of pay services in Miramichi, New Brunswick. Additional increases covered the costs of operating and maintaining buildings under the custody of PWGSC and the supplementary requirements in providing accommodation for government departments and agencies. These increases are offset by savings measures included in Budget 2011, and Budget 2012.

The planned decrease from 2013-14 to 2015-16 is attributed to the end of the approved five-year phase for the Long Term Vision and Plan for the Parliamentary Precinct rehabilitation, the completion of the Sydney Tar Ponds site remediation project, the implementation of savings measures and the completion of the purchase of Les Terrasses de la Chaudière building complex in the National Capital Area.

Estimates by Vote

For information on PWGSC's organizational Votes and/or statutory expenditures, please see the *Public Accounts of Canada 2013 (Volume II)*.[iv] An electronic version of the Public Accounts 2013 is available on the Public Works and Government Services Canada website.

Contribution to the Federal Sustainable Development Strategy

The Federal Sustainable Development Strategy (FSDS) sets out the Government of Canada's key strategic environmental goals, targets and measurements. The Office of Greening Government Operations (OGGO) works with other government departments and agencies to help them improve the environmental performance of the federal government's operations by engaging them on greening government operations initiatives, developing policies, guidance and tools, and monitoring, compiling and reporting on results. Consistent with PWGSC's common service provider role, certain PWGSC branches support the greening of government operations through the integration of environmental considerations into their service offerings.

PWGSC contributes to Theme IV of the FSDS: Shrinking the Environmental Footprint-Beginning with Government, as denoted by the following visual identifier and associated Programs.

Theme IV
Shrinking the Environmental Footprint -
Beginning with Government

These contributions fall under the following Programs and are further explained in Section II:

- Accommodation and Real Property Services
- Specialized Programs and Services
- Internal Services

Strategic Environmental Assessment

During 2012-13, PWGSC considered the environmental effects of initiatives subject to the *Cabinet Directive on Environmental Assessment of Policy, Plan and Program Proposals*. Four Strategic Environmental Assessment preliminary scans were completed for the five relevant program proposals led by the Minister of PWGS. For the fifth, the original preliminary scan had been completed in 2003, and was updated in 2007 and again in 2013. Since it was concluded that none of these would generate important environmental effects, neither detailed scans nor public statements were required.

Five TB submission proposals were submitted by PWGSC for Treasury Board approval. Preliminary SEA scan checklists were completed for these initiatives and determined that these proposals would have no outcomes with important environmental effects. Accordingly, Strategic Environmental Assessments were not indicated.

For complete information on the Cabinet Directive on Environmental Assessment of Policy, Plan and Program Proposals please visit the Canadian Environmental Assessment Agency website.[v]

For further information on PWGSC activities to support sustainable development and strategic environmental assessments, please visit the departmental website.[vi]

For complete information on the FSDS, please visit the Environment Canada website.[vii]

Section II: Analysis of Programs and Sub-Programs by Strategic Outcome

Strategic Outcome

PWGSC's strategic outcome is to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

Programs and Sub-Programs

The following section describes PWGSC's programs, sub-programs and planning highlights that support our strategic outcome. It also includes an overview of the financial and human resources, the performance results and lessons learned for each program and sub-program. Additional information is available on our departmental website.[viii]

Program: Acquisitions

Through this program Public Works and Government Services Canada (PWGSC) is the government's primary procurement service provider offering federal organizations a broad base of procurement solutions such as specialized contracts, standing offers and supply arrangements. The role of PWGSC in this area is to provide timely value-added acquisitions and related common services to the federal government.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	335.3	335.3	388.1	378.0	(42.7)
Less Respendable Revenue	(183.3)	(183.3)	(224.0)	(219.2)	35.9
Net Expenditures	152.0	152.0	164.2	158.8	(6.8)

Totals may not add up due to rounding.

Human Resources (Full-Time Equivalents — FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
2,045	1,772	273

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A fair, open and transparent procurement process that provides best value to Canadians, delivered effectively and efficiently to the satisfaction of Departments, Clients and Suppliers.	Use of PWGSC procurement instruments by federal departments and agencies.	\$1.85B[3] (CY 2012)	\$1.98B[4] (CY 2012)
	Proportion of contracted value awarded competitively.	Over 70%[5]	78.1%
	Proportion of contracts awarded within the established service standard timeframe.	80%	72.9%
	Cost per \$100 AB Business Volume.	< \$0.70	\$0.95
	Overall level of satisfaction of federal organizations.	70%	72%

Performance Analysis and Lessons Learned

The Smart Procurement approach, recognized as a best practice, is comprised of four critical attributes: Early Engagement, Effective Governance, Independent Advice and Benefits to Canadians. Projects making use of the Smart Procurement approach included the National Shipbuilding Procurement Strategy (NSPS), the Fixed-Wing Search and Rescue Aircraft Replacement Project (FSWAR), the Contracted Airborne Training Services Project (CATS), the Tactical Armoured Patrol Vehicle (TAPV), the Canadian Innovation Commercialization Program (CICP), now called the Build in Canada Innovation Program (BCIP), and the Review of Procurement Strategies for 29 categories of goods and services.

Through the Leveraging Digital Technology Initiative, PWGSC continued to transform and manage its procurement operations effectively and efficiently. A new version of buyandsell.gc.ca was released which provides single window access to federal procurement information and presents valuable procurement data in a way that can be easily accessed by users. In 2012, in excess of 136,000 call-ups against PWGSC procurement instruments (*Standing Offers and Supply Arrangements*), totalling \$1.98B, were completed by or on-behalf of federal departments and agencies.

PWGSC continued to effectively bring needs and solutions together for values-based, innovative procurement. The National Goods and Services Procurement Strategy (NGSPS) is one example of how PWGSC continued to improve the engagement process with government departments and suppliers. A number of National Procurement Strategies for Goods and Services were consulted on and developed and several have been approved for publishing on the Government Electronic Tendering Service (GETS). The NGSPS streamlined processes and broke down barriers, making it easier for suppliers to do business with the Government of Canada.

Engagement is key to ensuring that PWGSC continues to eliminate barriers to government procurement for SMEs. It is also key to the development of tools and services to enhance the participation of client departments and agencies in the procurement activity; in the management and planning of large dollar, complex and high risk procurements for military and non-military goods and services; and in the development of procurement strategies and initiatives in support of innovation.

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[3] Measure of \$1.85 billion based on reported volumes (calendar year) captured through Treasury Board's Annual Procurement Activity Report.

[4] Client use of PWGSC procurement instruments is captured through the TBS Procurement Activity Report (PAR). This data is used to meet a number of the government's reporting obligations, including those required under various international and domestic trade agreements and as such, published results reflect the activity for the calendar year rather than for the fiscal year.

[5] This measure was adopted to demonstrate the proportion of the contract volume that is awarded through competitive processes. The target is based on historical results over a 5-year period.

PWGSC has modified many of its procurement processes since establishing its performance targets for the fiscal year. In particular, client departments are now mainly responsible for managing Low Dollar Value (LDV) procurements through increased delegated authorities. During fiscal year 2012-13, PWGSC adopted integrity measures for procurement which seek to enhance due diligence, reducing the potential for fraud, and strengthening our ability to better manage risk. These new measures added steps that were not included when the performance targets were set and impacted our ability to meet the established service standard timeframe.

The 2,045 planned FTE figure that appears in the 2012-13 Report on Plans and Priorities was based on the following assumptions: As of September 30, 2011 the total Acquisitions Program active population was 1,980. It was anticipated that 100 vacant positions would be staffed during the reporting period and that 35 positions would be eliminated.

In 2012-13, the Acquisitions Program saw a reduction in the number of FTEs mainly due to attrition, the transfer of employees to Shared Services Canada, a reduction in Low-Dollar-Value procurement transactions, and the closing down of work related to Marine Inspection Services. The difference in the financial resources table is mainly due to the introduction of the Cost and Profit Assurance Program to conduct cost audits (primarily related to defence contracting), the new Buy and Sell procurement web portal for government buyers and industry suppliers, and the study costs for the 2014 Government of Canada Reprography License to reassess the reproduction of copyrighted material considering new technologies.

Sub-Program: Procurement Services

This sub-program identifies PWGSC's primary role in the area of procurement for federal departments. The department provides timely value-added acquisitions and related common services to Canadians and the federal government.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	85.9	93.9	(8.1)
Less Respendable Revenue	(13.8)	(16.3)	2.5
Net Expenditures	72.1	77.6	(5.5)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
916	792	124

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations are provided with a broad base of procurement solutions including contracts, standing offers, supply arrangements and procurement tools that are timely and provide value for money to support the delivery of their programs.	Overall level of satisfaction of federal organizations.	70%	72%
	Percentage contracts valued between $25K and $100K awarded within the established procurement service standard timeframe.	75%	79.5%
	Number of Low Dollar Value transactions resulting from requisitions valued at less than $25K (baseline 11,500 transactions in 2008-09).	<7,200 (a reduction of 4,300 relative to baseline 2008-09)	7,961

Performance Analysis and Lessons Learned

Work continued to address the Government's 2011 and 2012 Budget commitment to develop a procurement strategy for military acquisitions in order to maximize job creation, support Canadian manufacturing capabilities and innovation, and bolster economic growth in Canada. PWGSC, Department of National Defence (DND), and Industry Canada worked together to find ways to better leverage Canada's military buying power by engaging partners and industry earlier, assessing and testing approaches to increase the impact of military procurement, and identifying opportunities to develop strategic industry sectors.

In February 2013, in his capacity as Special Adviser to PWGSC's Minister, Mr. Tom Jenkins released the report entitled "Canada First: Leveraging Military Procurement Through Key Industrial Capabilities". This report informed Budget 2013 and lays the groundwork for the Government to further leverage military procurement to support the Canadian economy. It builds on actions that the Government has already initiated and will continue to improve upon. The ultimate objectives are to ensure the best possible value for money, to decrease timelines, to engage industry early and substantively in the process, and to improve the oversight and governance of major purchases. Budget 2013 also announced a commitment to include a military element in an expanded, permanent Canadian Innovation Commercialization Program (CICP), now called the Build in Canada Innovation Program (BCIP).

The National Goods and Services Procurement Strategy (NGSPS) has developed clear and comprehensive approaches for the delivery of procurement services across all PWGSC regions which resulted in more consistent procurement services to stakeholders. New engagement approaches have been developed that will help to better capture and understand government department needs, through the use of scenarios. This approach to working with clients and stakeholders enabled better and more responsive solutions to clients. For example, with the Office Equipment National Procurement Strategy, clients are being encouraged to move to a managed service that reduces cost and improves environmental benefits, while PWGSC can assist by incorporating best practices and lessons learned into each subsequent contract, creating a positive, continuous improvement approach.

The Trilateral Forum on Public Procurement, which has representation from Canada, the United Kingdom, and the United States, is an important venue to discuss matters of common interest of the three countries related to public procurement. During the reporting period, two working groups were established to explore Professional Services Procurement and Evaluation Methodologies. This work is important to build and foster relationships among participating countries; share best practices and lessons learned; ensure effective and efficient knowledge transfer and exchange; and, explore and implement solutions to common procurement challenges.

The difference in FTEs is due to the reduction in the number of Low Dollar Value procurement transactions and attrition. The difference in the financial resources table is mainly due to increases in procurement volume leading to increased operating costs and salaries.

Sub-Program: Customized/Unique Procurement Services

This sub-program identifies PWGSC as the government's procurement provider for customized procurement solutions including industry consultations, market surveys, conducting complex competitive solicitations and contract negotiations, and the award and management of contracts including legal agreements. Often such procurements include a wide range of technically complex systems and services, are unique, high in dollar value and are long-term agreements. Because of the complexity and the nature of the requirement they usually require early involvement of PWGSC procurement specialists in the definition phase of the program and require dedicated procurement teams in the implementation phase of the procurement strategies. Since these procurements may be sensitive in nature and/or require a multi-phased approach, risk management, performance management, financial management and change management are all important aspects of the overall project management regime.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	151.2	175.7	(24.5)
Less Respendable Revenue	(136.2)	(167.4)	31.3
Net Expenditures	15.0	8.2	6.8

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
388	342	46

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations are provided with comprehensive procurement and contract management services to deliver customized and innovative goods, addressing risk management, performance management issues in the overall project management regime.	Total awarded value of major military contracts and associated amendments.	$1.25B	$1.87B
	Proportion of level 3, 4 or 5 complexity files, for which a strategy has been established to reduce the overall risk and complexity of the project (pre-contract).	50%	Not yet available.[6]

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[6] Systems for tracking the establishment of strategies for the management of risk and complexity are not yet implemented.

Performance Analysis and Lessons Learned

PWGSC has continued to improve how departments and agencies acquire marine goods and services by implementing the procurement philosophy and practices that resulted in the success of the National Shipbuilding Procurement Strategy (NSPS) now referred to as "Smart Procurement". "Smart Procurement" principles include appropriate governance, robust and early industry engagement and the use of third party expertise. The use of early and robust engagement with industry enabled PWGSC to reconcile the requirements of departments and agencies with industry's capabilities to successfully deliver and to inform its selection of the best procurement strategy to improve procurement results.

February 2013 marked the one-year anniversary of the signing of long-term umbrella agreements with Irving Shipyards Inc, and Vancouver Shipyards for the construction of the combat and non-combat fleets under the NSPS. Industry analysts have estimated that government shipbuilding projects could contribute, both directly and indirectly, approximately 15,000 jobs across the country and over $2 billion in annual economic benefits over the next 30 years. To date, Canada has negotiated and awarded a number of contracts with the two shipyards.

PWGSC established the National Fighter Procurement Secretariat (NFPS) to implement the Government of Canada's Seven-Point Plan for the replacement of Canada's CF-18 fleet following the 2012 Auditor General's Spring Report.

In 2012-13, the NFPS released the Seven-Point Plan Status Report which provides Canadians with an overview of the work accomplished since the Seven-Point Plan was launched. Other reports released include the National Defence Annual Update, the Canadian Industrial Participation in the F-35 Joint Strike Fighter Program Report, KPMG's Next Generation Fighter Capability Life Cycle Cost Framework, KPMG's Next Generation Fighter Capability Independent Review of Life Cycle Cost, and the Terms of Reference for the Evaluation of Options.

The difference in FTEs in this sub-program is due to the transfer of employees to Shared Services Canada. The difference in the financial resources table is mainly due to a lower than planned deficit in the Optional Services Revolving Fund because of the reduced financial impact from the timing difference between invoice to provinces/territories and payment to vaccine suppliers at year-end.

Sub-Program: Strategic Acquisition Support Services

This sub-program ensures prudent use of federal resources. PWGSC will continue to develop effective and efficient acquisition practices as well as fair access to government business. Incorporated within this program is: the engagement of both clients and suppliers by providing knowledge, tools and best practices; the provision of strategic and management leadership to continuously develop new directions for the ongoing renewal of Government procurement and identify associated project initiatives; the provision of procurement-related advice, guidance and oversight including the development of policies, standards and guidelines in support of client organizations while respecting the Government's trade obligations, socioeconomic and environmental objectives; ensuring the integrity of the procurement process through contract quality control; delivering risk and insurance advisory services; enhancing contract management; providing a measurement and reporting system that offers management-level reports for departmental planning; improving tools and instruments based on best practices; and providing services through the Cost Audit Program to assist Acquisitions Branch in discharging its responsibilities to ensure that prices paid pertaining to cost-reimbursable contracts are in accordance with contract terms and conditions.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	63.3	77.7	(14.4)
Less Respendable Revenue	(3.4)	(7.6)	4.2
Net Expenditures	59.9	70.1	(10.3)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
454	439	15

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Prudent use of federal resources, effective and efficient acquisition practices, and fair access to government business.	Overall level of supplier satisfaction with OSME information sessions.	75%	100%
	Proportion of Addressable GC Spend addressed by Procurement Strategies.	25%	Not yet available.

Performance Analysis and Lessons Learned

2012-13 was the third year of the Canadian Innovation Commercialization Program (CICP) which helps Canadian businesses demonstrate their innovative products and services by meeting the needs of federal departments and agencies. Through CICP, PWGSC received 967 proposals and was able to pre-qualify 84 Canadian innovations. To date, the Program has contracted 53 innovations with testing taking place in government departments across Canada. The program was a finalist for the 2012 Commonwealth Association for Public Administration and Management Innovations Awards, under the Innovations in Government Services and Programs category.

PWGSC continued its work to enhance the Business Analytics Service through increased departmental participation in the Spend Management system (92.4% of overall GC spend). PWGSC has also enhanced reporting capabilities, further reducing departments' reporting burden and increasing the quality of procurement-related planning and decision making.

PWGSC made significant steps to enhance the Government's procurement function by releasing clear, consistent, and comprehensive policy instruments. The Acquisitions Program Policy Framework was released as well as policy instruments on engagement, risk management and governance to support complex procurement activities. These documents support the Smart Procurement principles and have helped to document best practices, clarify roles and responsibilities, and effectively manage the Government's procurement function.

PWGSC continued to strengthen its integrity framework of policies, procedures and governance measures supporting accountability and integrity in procurement. PWGSC expanded the list of criminal convictions or acts rendering companies and individuals ineligible to bid on PWGSC solicitations or be awarded a contract, and no longer does business with companies and individuals found guilty of these offences unless they obtain a record suspension or have their capacities restored by the Governor-in-Council, or exceptional circumstances require it for the public interest.

In June 2012, PWGSC finalized the delegation of authorities to procure goods up to $25,000, i.e. Low Dollar Value transactions to allow departments and agencies to acquire goods to effectively and efficiently meet their operational requirements. This decentralization allows PWGSC to focus on and improve strategic procurement initiatives by strengthening its leadership on complex and high-risk procurements, championing innovation, improving relationships with clients and suppliers, and maximizing socio-economic objectives.

The difference in FTEs is due to the closing down of work related to Marine Inspection Services and a reduction in departmental overhead. The difference in the financial resources table is mainly due to the introduction of the Cost and Profit Assurance Program to conduct cost audits (primarily related to defence contracting), the new Buy and Sell procurement web portal for government buyers and industry suppliers, and the study costs for the 2014 Government of Canada Reprography License to reassess the reproduction of copyrighted material considering new technologies.

Sub-Program: Seized Property

This sub-program was created for the purpose of discharging the Minister's responsibilities pursuant to the *Seized Property Management Act* (SPMA). Seized Property Management Program (SPMP) sub-activity established on September 1, 1993, provides consultative and other services to Canadian law enforcement agencies in relation to the seizure or restraint of property seized or restrained in connection with criminal offences; manages the property; disposes of the property when the courts declare forfeiture; and shares the proceeds of disposition with provincial and foreign governments in accordance with the provision of the SPMA and its regulations. Services offered by SPMD to police forces include the following: control and maintenance of seized property; management of restrained property; appraisal; inspections; disposal of property and allocation of proceeds; and record keeping.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	12.3	10.9	1.4
Less Respendable Revenue	(11.1)	(9.5)	(1.5)
Net Expenditures	1.2	1.3	(0.1)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
87	84	3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Best value obtained for seized property declared forfeited by the Courts.	Percentage of seized property sales obtaining 90% of appraised asset value.	90%	98.9%
	Percentage of clients satisfied with advice.	85%	95.3%

Performance Analysis and Lessons Learned

The Seized Property Management Directorate (SPMD) of PWGSC manages assets seized or restrained under specific sections of the Criminal Code, the *Controlled Drugs and Substances Act* and the *Proceeds of Crime (Money-Laundering) and Terrorist Financing Act*. Seized property may include items such as cash, equities, loans, bank accounts, life insurance policies, personal loans and mortgages, vehicles, motorcycles, boats and aircraft, etc. Managing assets obtained from criminal activities is increasingly complex. Over the past years, SPMD has had to manage assets which were partially forfeited to the federal government, requiring more involvement with accused individuals, legal services, third parties and at times other levels of government.

SPMD performs a variety of functions related to the management of seized property including providing advice to police agencies and Crown prosecutors on the value of target assets and the estimated costs of management prior to seizure. In 2012-13, 95% of clients were satisfied with advice provided by SPMD, exceeding the established target of 85%. In turn, 99% of sales of seized property obtained 90% or more of the appraised asset value.

Sub-Program: Marine Inspection and Technical Services

This sub-program was removed from the Program Alignment Architecture (PAA) structure as the program was terminated. The change will come into effect during the 2013-14 Strategic Outcome (SO) and PAA Amendment process.

Sub-Program: Shared Travel Services Initiative

This sub-program provides a portfolio of efficient cost-effective travel management services to other federal departments. These services include on-line and traditional services, a travel agency, travel cards and an expense management system.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	10.3	8.1	2.2
Less Respendable Revenue	(9.6)	(8.0)	(1.5)
Net Expenditures	0.8	0.1	0.7

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
17	14	3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
SCnet based travel services and travel information meet the needs of federal workers and program managers.	Percentage client satisfaction.	78%	81%
	Percentage GC entities adopting STS services.	85%	92.6%
	Percentage implementation of EMT in client departments processing travel claims.	80%	99%

Performance Analysis and Lessons Learned

The STS is an "end-to-end" travel solution aimed at delivering value to the Government of Canada (GC). Its objective is to provide high-quality travel services to GC employees within an integrated travel management system that enables departments to manage travel more efficiently and maintain the GC's priority of transparency and accountability in the public sector. These services include travel cards, a travel agency call centre, an online booking tool, an expense management tool and reporting capabilities for all departments and agencies that choose to participate in STS.

In 2012-13, STS exceeded its established targets with regards to the number of federal organizations adopting STS services, from 85% to 93%. The number of departments processing travel claims through EMT also increased from 28 in 2011-12 to 31 in 2012-13.

In 2012-13, Shared Travel Services Directorate of the Services and Specialized Acquisitions Management Sector (SSAMS) and the Services and Technology Acquisition Management Sector (STAMS) completed the procurement process for the next generation of services. The bid evaluation process allowed for hands-on user testing and extensive involvement of users across a range of departments in the scoring of product demonstrations and usability evaluations to ensure the new solution was user friendly. The results demonstrated the value of robust user engagement in the assessment and procurement of complex technologies and services.

The difference in the financial resource table is mainly due to reduced hiring, resulting in lower salary expenses and employee benefits.

Sub-Program: Canadian General Standards Board

This sub-program offers client-centered, comprehensive standards development and conformity assessment services in support of the economic, regulatory, procurement, health, safety and environmental interests of our stakeholders – government, industry and consumers. These services also include programs for certification of suppliers meeting product and services standards, registration of quality and environmental management systems conforming to International Organization for Standardization (ISO) standards and registration of food safety (HACCP) and Occupational Health & Safety (OHSAS 18001) management systems, as well as certification of procurement and material management personnel. Furthermore, the CGSB offers a registration program for quality management systems of water plants throughout the province of Ontario.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	3.8	3.3	0.5
Less Respendable Revenue	(2.3)	(2.1)	(0.1)
Net Expenditures	1.5	1.2	0.4

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
32	30	2

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations, industry and consumers have access to standards development and conformity assessment services in support of their interests.	Percentage of standard projects completed within agreed budget and time.	85%	100%
	Percentage of products and services certified within specified timeframe.	95%	75%
	Level of clients satisfaction with CGSB's registration services.	85%	90%

Performance Analysis and Lessons Learned

In January 2013, the CGSB announced the launch of the Qualification Program for the Department of Fisheries and Ocean's (DFO) At Sea Observer Corporations Program. The CGSB program is designed to assess the quality management system of suppliers of at-sea fisheries services against DFO's requirements. The objective of the program is to provide accurate, timely, and independent third party verification of harvesting activities at sea, as well as to provide scientific catch and sampling data to the Department.

Organizations that qualify for the program are eligible to seek designation from the DFO as at-sea observer providers. The qualification program is one of the designation requirements for organizations wishing to enter this industry. This program supports Economic Action Plan 2013 in that it introduces efficiencies and reduces program costs for government. In March 2013, CGSB qualified four companies, a first-time qualification for these companies.

The CGSB published several standards including, for example, for Petroleum, Research Ethics Oversight of Biomedical Clinical Trials, and Organic Aquaculture. As well, in February 2013, the CGSB signed an Interdepartmental Letter of Agreement with Health Canada to develop two new National Standards of Canada for Radon Mitigation.

Client consultation, continuous improvement opportunities identified internally by CGSB staff and accreditation requirements of the Standards Council of Canada all contributed to the opportunity to redesign and improve efficiencies in the standards development process. CGSB updated its policies and procedures to ensure compliance with new national requirements, while at the same time seizing the opportunity to consolidate efforts and streamline processes. This ultimately provides clients, stakeholders and Canadian citizens with a more efficient and cost effective process for the development of standards in support of economic, health and safety or environmental interests.

The CGSB has recognized through various consultation processes that there is a need to expand and focus on the partnerships within the federal Government; to more strategically communicate the benefits of standardization so that projects that involve partners (outside and inside) can work together to achieve shared objectives.

The difference in the financial resources table is mainly due to the Program's streamlining efforts to meet fiscal restraint targets.

Sub-Program: Crown Assets Distribution

This sub-program disposes of moveable federal government surplus materiel through 8 regional CAD Centers across Canada and its Headquarters, through direct sales and in some cases, through contracts with service providers. It provides best value for Canadians for the disposal of government surplus material. Sale methods include GC Surplus, CAD's web based on-line bidding system and directed tenders for military surplus equipment.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	8.5	8.4	0.1
Less Respendable Revenue	(7.0)	(8.1)	1.1
Net Expenditures	1.5	0.3	1.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
70	71	(1)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Best value obtained for the disposal of surplus moveable goods.	Commissions received from sale of surplus moveable assets.	$4.8M	$9.3M

Performance Analysis and Lessons Learned

Crown Assets Distribution (CAD) is the federal government's organization responsible for the sale, distribution, disposal and re-use of surplus federal goods. Over 100 federal departments and agencies use CAD to dispose of everything from computers, office equipment, and vehicles to military equipment like ships and planes. CAD also disposes of seized goods on behalf of federal and provincial law enforcement agencies.

Technology is increasingly important in the development and implementation of a successful program. Over the past several years, creativity and innovation has transformed CAD to the relevant, leading edge, state of the art business entity called GCSurplus, the online, closed bidding system allowing buyers to view, bid and buy federal government surplus goods on the Internet. It provides services to federal government departments and agencies to efficiently market and sell surplus and seized assets and obtain best value for Canada. It services the general public by providing a convenient, fair and transparent opportunity to purchase federal surplus assets. GCSurplus processes an average of approximately 30,000 sales transactions annually. As compared to 2011-12, CAD achieved a 7% increase in bids received on surplus moveable assets in 2012-13 mainly due to increased promotional efforts to make GCSurplus more visible.

During the reporting period, CAD also worked with government and industry organizations to establish environmentally sound disposal standards for potentially hazardous material in electronic products known as e-waste.

The difference in the financial table is mainly due to higher revenues from a higher volume of goods disposed.

Program: Accommodation and Real Property Services

PWGSC provides federal departments and agencies with safe, healthy and affordable office and common use accommodation that supports the effective delivery of their programs and services. The Department acts as steward for various public works such as buildings, bridges and dams, and national treasures such as the Parliamentary Precinct and other heritage assets across Canada. PWGSC also provides other federal departments and agencies with responsive and cost-effective real property services.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	4,289.3	4,594.1	4,940.6	4,606.8	(12.7)
Less Respendable Revenue	(2,581.3)	(2,581.3)	(2,846.5)	(2,595.2)	13.9
Net Expenditures	1,708.0	2,012.8	2,094.0	2,011.6	1.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
3,906	3,570	336

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have affordable office accommodations and facilities that support the delivery of their programs that respect Government of Canada office space standards.	A more efficient use of office space as measured by m² allocation per person.	Less than or equal to 18.9 m²/person	18.46 m²/person
	Affordability of office space as measured by cost per m².	$314.83/m² (target was amended to $321.67/m² based on up to date consumer price index information)	$320.57/m²

Federal organizations and the Parliament of Canada receive responsive and cost-effective real property services in support of the effective delivery of their programs and services.	Percentage of Real Property Services Revolving Fund costs recovered.	100%	100.46%
	Percentage of Real Property projects >$1M that are on-time, on-scope and on-budget.	90%	97%
Strategically-managed real property portfolio that maximizes economic benefit and minimizes short and long term liability.	Maintenance and recapitalization costs as a percentage of portfolio replacement cost. (Facility Condition Index). Use of the Facilities Condition Index identifies potential maintenance and recapitalization expressed as a percentage of the building's value. It is used to express a building's relative condition and future funding needs.	<10%	11.2%
	Percentage of vacant marketable Crown-owned office space.	<=5%	2.4%
	Percentage of recapitalization budget spent.	80%	95.2%
Essential property management services ensure an ongoing safe and secure environment for the operation of Parliament 24 hours of the day.	Number of hours per annum that essential property management services are not provided for ongoing operation of Parliament.	No more than 48 hours, or 2 days per annum.	0 hours of service interruption.

Performance Analysis and Lessons Learned

Performance targets for the program were exceeded generating a small surplus in the Real Property Services Revolving Fund due to actual spending for some indirect cost items being below budget; and a drop in the national marketable vacancy rate, largely explained by changes in the ownership leasing mix and space under renovation that is no longer considered "marketable and vacant". The difference in the financial resource table is immaterial at the program level. Actual spending is 99.9 per cent in line with planned spending as a result of sound and rigorous financial management of the program. The difference in the human resource table includes staffing delays, vacant positions being removed and retirements not being replaced.

PWGSC continued to work towards the 2014 rollout of the Real Property Business Systems Transformation Project (NOVUS). NOVUS[ix] will enhance operational performance by streamlining real property business processes into an integrated information technology solution to improve reporting capabilities and strategic decision-making.

The RPBST Project was supported by the regions through the National NOVUS Network (NNN). The NNN comprises representatives from each region and impacted sector as well as representatives from the Department of National Defence and the Canada Revenue Agency. The NNN will continue to support the development and implementation of NOVUS by serving as a communications conduit between their stakeholder groups and the RPBST Project team.

The FCI score varies based on changes in the deferred maintenance of the portfolio, and/or changes in the portfolio's replacement value. In 2012-13, deferred maintenance increased moderately by 4%. Conversely, the portfolio's replacement value decreased by 6%. The drop in portfolio replacement value triggered the increase in the FCI, (i.e. it was not due to an increase in deferred maintenance). It is also important to note that the cyclical nature of lifecycle portfolio recapitalization requirements can lead to moderate increases or decreases in the FCI from year to year.

Sub-Program: Federal Accommodation

This sub-program meets the accommodation needs of federal organizations by providing and maintaining a cost effective portfolio of office facilities and common use assets. This sub-activity is composed of two primary activities: the provision, on an obligatory basis, of general-purpose accommodation and common use space to support the delivery of government programs; and optimization of real property investments in direct support of the provision of accommodation.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	2,178.6	2,580.9	(402.3)
Less Respendable Revenue	(760.7)	(1,019.6)	258.9
Net Expenditures	1,417.9	1,561.3	(143.4)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
1,113	869	244

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Strategically manage a portfolio of federal accommodation assets that supports government program delivery while maximizing economic benefit.	Percentage return on investment (ROI) for Crown-owned office assets.	5% to 8%	4.02%
Federal organizations receive appropriate solutions for their accommodation requirements and priorities.	Percentage of Occupancy Instruments (OIs) created during current fiscal year for more than 25 employees that meet the OAF (space allocation limits).	70%	78.3%

Performance Analysis and Lessons Learned

As a centre of expertise and trusted advisor to the Government of Canada in the life cycle management of real property, PWGSC has provided innovative solutions and oversight to ensure that federal infrastructures remain safe and secure.

PWGSC leads the Workplace 2.0 (WP 2.0)[x] initiative, supporting the sound stewardship of federal real property assets, and modernizing the public service workplace to help employees work smarter, greener, healthier and, ultimately, to better serve Canadians. In April 2012, PWGSC introduced the Government of Canada WP 2.0 Fit-up Standards that reduces the office footprint and supports the Space Standards Modernization initiative. PWGSC continued to promote the initiative through its demonstration sites, the launch of an implementation and communications toolkit and developed an accreditation process to assess WP 2.0 projects, for completion in early 2013-14.

The Department advanced the construction[xi] of three new federal buildings in Gatineau, Quebec, and a new federal building at the Ottawa Train Yards. Work continued on the redevelopment of 90 Elgin Street in Ottawa and RCMP's National Headquarters building in Ottawa and its regional headquarters in Surrey, British Columbia, and Dartmouth, Nova Scotia. The Grande-Allée Armoury reconstruction project in Québec City and a new federal building in Québec City for Canada Revenue Agency are also underway.

The variance in Net Expenditures is mainly due to increased respendable revenues and non-discretionary expenses related to Crown-owned buildings, leased space and the cost of additional office accommodation provided to government departments and agencies. The difference in the human resource table includes staffing delays, vacant positions being removed and retirements not being replaced.

The procurement of the National Capital Region Property Management and Project Delivery Services (RP-2) contract allowed the government to continue leveraging private sector expertise for the delivery of real property services, resulting in ongoing support for local and regional business opportunities.

PWGSC continued to adopt best-in-class practices and developed innovative tools that provide additional value to clients and complement existing service offerings. A toolkit, Accommodation Projects 101 Workbook, was developed that clearly articulates roles and responsibilities and assists client departments in effectively leveraging PWGSC processes. In addition, a new building design standard for office environments was implemented to ensure current requirements and codes are met and a national control program for mechanical equipment was developed and implemented to ensure risks associated with Legionella are mitigated. Lastly, the Department developed procedures for the identification and prevention of counterfeit electrical circuit breakers to minimize risks to operations and reduce costs associated with counterfeit breakers.

The ROI target was reduced to >4% in early 2013-14 to recognize the current environment of low interest rates and property yields. The former 5-8% ROI target was established when interest rates and yields were much higher. As such, our 2012-13 results are competitive and meet our recently revised target.

Sub-Program: Federal Holdings

This sub-program manages a diverse portfolio of federal facilities under the purview of the Minister of PWGS. It includes various components that are grouped for reporting purposes. They include the stewardship and management of twenty-one major engineering assets and wharves as well as the development of strategies for their divestiture. Other components include: appraisals for all acquisitions, dispositions and transfers of real estate, as well as the maintenance of related guidelines and policies; authoritative interpretation of expropriation legislation and regulations and the implementation of the expropriation process on behalf of the federal government; the provision of space to support the delivery of federal government programs through the stewardship and management of special properties (predominantly conference and training facilities); the administration, capital management and leasing services for residential housing units in the Northwest Territories and Nunavut to support the delivery of federal government programs; a leadership role within the federal government regarding advice, training and consultation with respect to real property and the related impact on First Nations issues; and, the Surplus Federal Real Property Homelessness Initiative (SFRPHI) aimed at preventing and reducing homelessness across Canada by making surplus federal real property available as non-cash contributions.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	237.7	172.9	64.8
Less Respendable Revenue	(28.6)	(32.5)	3.9
Net Expenditures	209.1	140.4	68.7

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
19	17	2

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Strategically manage a portfolio of federal holdings assets (marine structures, and land transportation) that minimize short and long-term liability.	Decrease in number of assets rated as high risk.	3	1

Performance Analysis and Lessons Learned

PWGSC is leveraging private sector expertise to deliver energy services for federal buildings in the National Capital Area through the Energy Services Acquisition Program (ESAP). The Department engaged the industry twice to confirm its interest and capacity, and to promote an open dialogue. ESAP will ultimately select a private sector partner through an open and competitive procurement process.

PWGSC delivered year-two of the five-year (2011-12 to 2015-16), $320-million rehabilitation program for the Department's public infrastructure assets. In the National Capital Area, repairs were done to the Chaudière Crossing and Alexandra Bridge and rehabilitation work was done on the Macdonald-Cartier Bridge. Across Canada, the Department is: replacing the Des Allumettes Bridge, which connects Pembroke, Ontario, to Allumettes Island in Quebec; rehabilitating the Burlington Lift Bridge in Hamilton, Ontario; reconstructing the Ontario Latchford Dam in Latchford, Ontario; and completed reconstruction and paving work on part of the Alaska Highway near Fort Nelson, B.C.

In 2012-13, building on the experience acquired with the Public-Private Partnerships (P3) and other contracting approaches to project delivery, PWGSC developed a screening tool to help project teams determine the most appropriate method of project delivery between "Design-Bid-Build", "Design-Build", "Construction Management" and P3. This tool supports the Department's strategy to encourage use of P3 delivery mechanisms in real property projects.

The performance target for this sub-program is on track to be met. The completion date to decrease the number of assets rated as high risk is 2014. With regard to the financial resource table, the difference is mainly due to delays as a result of weather conditions and revised project delivery schedules as well as the transfer of the unused authorized funding to a future fiscal year.

Sub-Program: Professional and Technical Services

This sub-program is the delivery arm for the Federal Accommodation program and the Federal Holdings program of PWGSC. The department also provides real property services to other departments on a fee for service basis. Services fall into three broad categories: advisory, project delivery, and property and facility management.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	1,790.0	1,526.6	263.4
Less Respendable Revenue	(1,780.0)	(1,531.3)	(248.7)
Net Expenditures	10.0	(4.7)	14.7

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
2,673	2,590	83

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations receive responsive and cost-effective real property services in support of the effective delivery of their programs and services.	Percentage of Real Property Federal Accommodation and Holdings (FAH) projects >$1M that are on-time, on-scope and on-budget.	90%	96%
	Percentage of Real Property OGD projects >$1M that are on-time, on-scope and on-budget.	90%	98%

Performance Analysis and Lessons Learned

As the government's Corporate Real Estate organization, PWGSC continued to leverage the private sector, enhancing its ability to remain agile and provide value for money in its delivery of services to clients. Work proceeded on the procurement of new service delivery contracts which take advantage of private sector capacity and expertise.

Project management, leadership and communications training was delivered to PWGSC project managers across Canada. In addition, the Department provided expert advice and guidance on major transformational initiatives and addressed project lessons learned by updating project management tools and processes, further strengthening the discipline of project management within the Department.

As part of PWGSC's Client Service Strategy, the Real Property Branch developed and implemented service standards to demonstrate commitment to service excellence and provide opportunities for improvement through lessons learned and client feedback.

In order to enhance quality and consistency in project management, the National Project Management System (NPMS), the Department's project management framework for real property and IT-enabled projects, was revised to include a lessons learned procedure. As well, with a view to enhancing relationships with clients, partners and other stakeholders, PWGSC continued to negotiate the signing of additional Departmental Service Agreements.

Revenues were significantly less than planned mainly due to clients delaying projects and experiencing budget constraints. Expenditures were proportionally reduced, leaving a small negative Net Expenditure of $4.7 million. The planned Net Expenditure of $10 million reflects a drawdown authority for this program to be used when accounts receivable from third parties increase at year-end. This authority was not used in 2012-13. The difference in the human resource table includes staffing delays, vacant positions being removed and retirements not being replaced. As well, many vacant positions for architects, engineers and trades could not be filled due to a shortage of qualified candidates.

Sub-Program: Disposition Incentives

This sub-program provides other federal organizations with maximum value for the disposition of their federal surplus properties. This is done on an optional basis, with up-front funding as financial incentive to declare properties as surplus to operational requirements and mandate PWGSC to proceed with routine disposals of surplus federal real property.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	7.3	1.8	5.5
Less Respendable Revenue	(12.0)	(11.8)	(0.2)
Net Expenditures	(4.7)	(10.1)	5.4

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
2	2	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Value from the disposition of federal surplus properties is maximized.	Ratio of sale proceeds to disposal expenditures (Return on Disposals).	>1	2.14

Performance Analysis and Lessons Learned

In June 2011, as part of its savings initiatives, the department terminated the Disposition Incentives program.

The Real Property Disposition Revolving Fund (RPDRF) was terminated as of March 31, 2013. PWGSC proceeded with closing 434 active projects and produced a surplus that will be going into the Consolidated Revenue Fund. Despite the closure of the RPDRF, the process for disposals remains unchanged and existing Treasury Board policies continue to apply. PWGSC remains as the Centre of Expertise for real property services for the Government of Canada and continues to work with client departments to help achieve their objectives in a cost effective and seamless manner.

The difference in the financial resource table is mainly due to the closing of the Real Property Disposition Revolving Fund at year end. Anticipated disposal projects were either cancelled or only partially completed within the year resulting in a reduction of expenditures from planned to actual spending.

Sub-Program: Payments in Lieu of Taxes

This sub-program administers the Payments in Lieu of Taxes program on behalf of the Government of Canada by issuing payments to taxing authorities under the authority of the *Payments in Lieu of Taxes Act*. Local taxing authorities benefit through receipt of payments, which compensate them for the services they provide federal property located in their jurisdictions.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	6.4	5.2	1.2
Less Respendable Revenue	-	-	-
Net Expenditures	6.4	5.2	1.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
53	51	2

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Local taxing authorities receive fair, equitable, and predictable payments on behalf of the Government of Canada, as contribution to the cost of local government.	Percentage of properties for which Payment in Lieu of Taxes payments are made and accepted by taxing authorities.	99%	98.98%
	Percentage of tax year Payment in Lieu of Taxes payments that have been finalized by March 31.	90%	99.98%

Performance Analysis and Lessons Learned

Performance targets for this sub-program were met or exceeded. The actual number of properties on which Payments in Lieu of Taxes (PILT) were made was higher than anticipated due to the sectioning off of large tracts of Agriculture Canada land in Saskatchewan into individual parcels each of which are considered a property.

As of March 31, 2013, the PILT[xii] Program completed over 99% of all payments to municipalities, amounting to $514,911,700 paid to 1,223 taxing authorities. The PILT Program successfully updated and signed Memoranda of Understanding with various federal departmental clients such as RCMP, Environment Canada, and Correctional Service of Canada.

In 2012-13, as a result of the combined effort of the PILT Dispute Advisory Panel Chair and members and PILT Program officials, the outstanding requests for review of departmental property before the PILT Dispute Advisory Panel were reduced by approximately 55%.

The difference in the financial resources table is related to the statutory vote and mainly due to a change in the accounting treatment of PILT.

Sub-Program: Parliamentary Precinct

This sub-program provides effective property and facility management services to the Parliament of Canada. The buildings and grounds of the Parliamentary Precinct are defined as the premises which the Senate, the House of Commons and the Library of Parliament occupy, including those enabling Senators and members to perform their parliamentary work and the related premises and grounds required to support that work (excluding constituency offices). The Minister of PWGS is the official custodian of the buildings and grounds and is responsible for their care, upkeep, structural integrity and appearance, for the management of major renovations and new construction as well as for provision of general purpose accommodation.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	317.2	266.2	51.0
Less Respendable Revenue	-	-	-
Net Expenditures	317.2	266.2	51.0

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
46	41	5

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Provide accommodation and project management services to parliamentary partners and clients while ensuring stewardship of the cultural and physical heritage of the Parliamentary Precinct.	Percentage of Major Capital Construction projects >$1 million that are on time, on scope and on budget.	90%	100%
	Percentage of recapitalization and operations construction projects >$1 million that are on time, on scope and on budget.	90%	91%

Performance Analysis and Lessons Learned

Throughout 2012-13, the Long Term Vision and Plan for the rehabilitation of buildings in the Parliamentary Precinct was on-time and on-budget. The following list identifies major achievements by building, as of March 31, 2013 along with links to additional information. (Please note that these percentages refer to the proportion of the overall multi-year project and not the target for 2012-13.)

- West Block[xiii] – Abatement and demolition work completed. Courtyard masonry work is 25% completed. Overall project delivery is 24% completed.
- Sir John A. Macdonald Building[xiv] – All abatement and demolition work completed; 22% of existing building is restored and the new addition's construction is 25% completed. Overall project delivery is 31% completed.

- Wellington Building[xv] – All abatement, demolition and seismic work completed; 90% of waste diverted or recycled. Overall project delivery is 43% completed.
- East Block[xvi] – The rehabilitation of the Northwest Tower is 78% completed. As part of the planning for the building's rehabilitation, PWGSC completed structural and geotechnical studies and an options review.
- Centre Block[xvii] – PWGSC completed heritage recording for the House of Commons Stained Glass Windows project and design work for the Ventilation Towers. In addition, PWGSC continued to carry out design work for the East and West Pavilions and plan for the building rehabilitation.
- Confederation Building[xviii] – PWGSC completed the Domestic Water and Drainage System project, replacing and upgrading the building's water and storm drainage systems.

PWGSC continues to apply lessons learned to ensure that LTVP projects remain on time and on budget which are recorded and assembled in a searchable database that is regularly accessed by project managers and disseminated at workshops. For example, lessons learned from the preparation of Requests for Proposals for the West Block program of work are being used to improve the quality of Requests for Proposals for other LTVP projects, and lessons learned from the masonry restoration of the South East and North West Towers of West Block are helping to better inform masonry restoration on other buildings in the Parliamentary Precinct.

The difference in the financial resources table is the result of unrealized risk and deferred contract award into the next fiscal year as a result of a greater volume of unknown site conditions than anticipated in the West Block Rehabilitation and Wellington Building Renovation projects. In addition, total funding set aside for the Library of Parliament claim was not required.

Sub-Program: Sydney Tar Ponds and Coke Ovens Remediation Project

This sub-program addresses Canada's commitment to the cost effective and environmentally sound stewardship of joint federal and provincial property. This is reflected in a Memorandum of Agreement (MOA) signed on May 12, 2004, between the Minister of Public Works and Government Services and the Premier of Nova Scotia wherein the governments negotiated a $400M cost share agreement legally binding both parties to the remediation of the Sydney Tar Ponds and Coke Ovens Sites.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	56.9	53.2	3.6
Less Respendable Revenue	-	-	-
Net Expenditures	56.9	53.2	3.6

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
0	0	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Remediation Project and its components are delivered on time, on budget, within scope and associated risks are managed.	• Project milestones are reached; • Costs are within budget, project remains within scope; • Quality of deliverables meet project standards and; • Risk management strategy is implemented.	100%	All targets were reached or exceeded. The Project is proceeding within budget and remains in scope. Several excellence awards were won demonstrating quality of deliverables.
Standards (air, water, soil, health and safety) are identified, monitored and met and environmental components are monitored regularly and impacts are mitigated.	• Standards are met for monitoring air, water, soil, health and safety (e.g. regulatory and contractual); • Percentage of environmental components monitored and; • Percentage of impacts mitigated.	100%	All targets were reached or exceeded.
Community is informed, understands the project and its goals, and supports the clean-up efforts.	• Public, local business and other stakeholders have access to timely, relevant information; • Percentage of community involvement in the project and trends in the nature of community feedback and; • Percentage of media portraying cleanup as positive.	100%	All targets were reached or exceeded.

Performance Analysis and Lessons Learned

All performance targets were met or exceeded. PWGSC's project team, as federal lead of the project, ensured it complied with: project cost share agreements, efficient and effective use of public funds, application of federal standards and policies, and effective communication with stakeholders, using appropriate oversight and due diligence.

Project element work progressed successfully. The major element of Solidification and Stabilization of the contaminants was completed this fiscal year as planned. Clean water now flows out into the harbour and current Future Site Use plans are transforming the Brownfield into usable land.

The Project won top awards this fiscal year including:

- the 2012 Canadian Urban Institute (CUI) Brownie Award for Best Overall Project, in recognition of the Project's Future Land Use Plan and impact on the local economy,
- the 2012 PWGSC Award of Excellence for Employment Equity and Diversity,
- the 2012 Real Property Institute of Canada (RPIC) Partnership Award in recognition of the strong partnerships that have been created as a result of the Project, and,

- the Nova Scotia Federal Council's 2013 Award of Excellence for applying effective communication principles and practices that contributed to the successful implementation of the Project.

The Project's Communications Strategy successfully reinforced the message that Sydney is a healthy place to work, play and live. For decades, Sydney has worn the stigma of being home to Canada's most notorious contaminated site. Today, the Tar Ponds site has been transformed into an urban park.

Major lessons learned from this project include having a central coordinating body with organized documentation that supports the quick flow of information between program participants; communicating clear messages and rapid responses so the right messages counter any negative publicity; ensuring communities are involved in planning and decision-making that impacts them; and, providing a safe environment where the public can feel free to participate, express opinions and ask questions. A comprehensive lessons learned guidelines report will be published in fiscal year 2013-14.

The difference in the financial resources table is mainly due to the transfer of funds to 2013-14 that are required to complete planned remediation and construction work, enabling final project elements and risks to be managed. The project is expected to be completed under budget, with final due diligence and close out activities to occur in 2014-15. Any outstanding funding after the end of the project will be returned to the fiscal framework.

Program: Receiver General for Canada

This program manages the operations of the federal treasury and maintains the Accounts of Canada. It provides federal departments with an optional financial management system, bill payments services and document imaging.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	141.5	141.5	156.1	156.0	(14.5)
Less Respendable Revenue	(20.1)	(20.1)	(38.2)	(38.2)	18.1
Net Expenditures	121.3	121.3	118.0	117.8	3.6

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
437	406	31

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely and efficient issuance of all government payments, provision of deposit detail reports, and central accounting reports.	Average unit cost per payment.	$0.32	$0.33
	Percentage of Receiver General payments issued within established timeframes.	99.99%	99.90%
	Public Accounts of Canada posted on the web within 24 hours of tabling in Parliament.	100%	100%

Performance Analysis and Lessons Learned

The Receiver General for Canada continued to ensure the timely and efficient issuance of all government payments, the provision of deposit detail reports and central accounting reports during fiscal year 2012-13, thus providing sound government banking, treasury and central accounting services. PWGSC carried out mission critical functions by: managing the operations of the federal treasury through the issuance and settlement of more than 315 million federal and provincial payments and the collection of revenue for all government departments, amounting to over $2.2 trillion in cash flow; maintaining the Accounts of Canada; producing the government's Monthly Statements of Financial Operations, the annual Public Accounts of Canada; and, enhancing the systems that support these functions in order to respond to changes in the business environment.

Consistent with our mission to strengthen our service delivery and improve our communication methods, we will continue to build effective working relationships and maintain open communication not only with client departments, but also with the public, the broader financial community, and other key stakeholders. Coordination with other stakeholders including the Department of Finance and the financial regulatory agencies, can promote consistency in our approaches and priorities, help address areas of common vulnerability, and provide a broader perspective of issues that warrant attention. Also, we will look to the financial community for best practices by maintaining a two-way communications approach that promotes goodwill and strengthens oversight activities.

The variance between planned and actual expenditures is mainly due to volume increases to issue payments for other governmental organisations and the development of new system tools. The decrease in FTEs is due to staffing delays, and due to the transfer of the Financial Officer Recruitment Program (FORD) from the Accounting, Banking and Compensation Branch to the Finance Branch, within PWGSC. With regard to performance measurement, the variance between the target for the average cost per payment and the actual result is due to a change in costing methodology. For the performance indicator related to the percentage of payments issued within established timeframes, a small number of non-time sensitive payments were released 3 days late during the second quarter of the fiscal year, due to production centre delays.

Sub-Program: Stewardship of Public Money and Accounts of Canada

This sub-program safeguards the integrity of the Consolidated Revenue Fund and the Accounts of Canada on behalf of Canadians (receipt, transfer, holding and disbursement of public money and the redemption and settlement of all payments, production of Public Accounts and monthly statements of financial operations) and develops and maintains Receiver General treasury, accounting and reporting systems.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	131.4	145.5	(14.1)
Less Respendable Revenue	(14.4)	(29.7)	15.3
Net Expenditures	117.0	115.8	1.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
339	304	35

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The integrity of the Consolidated Revenue Fund and the Accounts of Canada is preserved on behalf of Canadians.	Number of Public Accounts audit issues raised by the Office of the Auditor General relating to the Receiver General's Consolidated Revenue Fund and the Accounts of Canada functions.	0	0
	Percentage of daily settlement instructions sent, according to schedule, to the Bank of Canada for all outflows from the Consolidated Revenue Fund.	95%	100%

Performance Analysis and Lessons Learned

In 2012-13, the Stewardship of Public Money and Accounts of Canada Sub-Program continued to maintain the integrity of the Consolidated Revenue Fund and the Accounts of Canada, and to provide sound financial management and transparent financial reporting to Canadian taxpayers, in addition to undertaking a number of initiatives which will enable us to continue to achieve our expected results.

For the fourteenth consecutive year, the Government of Canada received an unmodified opinion from the Auditor General on the Consolidated Financial Statements of the Government of Canada. The production of the Public Accounts was particularly complex in 2012-13 due to the introduction of new financial reporting standards for all Crown Corporations and due to the creation of Shared Services Canada (SSC). Key contributing factors to the successful production of the Public Accounts included a year-end session with the 43 departments and agencies impacted by the creation of SSC, regarding specific accounting and reporting instructions and rigorous monitoring of all processes related to the major reorganization.

In 2012-13, PWGSC continued its extensive fraud detection activities on major fraud cases involving payments issued by the Receiver General, resulting in the investigation of 5,144 cases and the recovery of $6.35M. PWGSC has implemented system changes to streamline the overpayment process and electronic payment reconciliation, and created a Payment innovation group responsible for assessing emerging payments options to determine if there are benefits to implementing them within the Government of Canada.

Six instructional videos on the payment functions of the Receiver General were launched, and directed at federal departments and financial institutions. Fiscal year 2012-13 also saw the successful launch of the Direct Deposit Initiative, which resulted in 79% of all federal payments being issued by direct deposit in 2012-13, exceeding our target of 74%.

The implementation of the Managed Secure File Transfer (MSFT) initiative was completed at fiscal year-end; applying communications best practices enabled its successful completion.

Finally, expanding direct deposit in foreign countries where not all payment types were available proved to be a very complex undertaking for PWGSC and its foreign service provider; through innovation, PWGSC found solutions to allow for new expansion.

The difference in the financial resources table is mainly due to volume increases to issue payments related to Provincial programs for the Canada Revenue Agency. The decrease in FTEs is due to staffing delays, and to the transfer of the Financial Officer Recruitment Program (FORD) from the Accounting, Banking and Compensation Branch to the Finance Branch, within PWGSC.

Sub-Program: Receiver General Services

This sub-program provides optional bill payment services for federal organizations, and maintains operations for a Departmental Financial Management System. Optional services are provided on a cost-recovery basis.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	5.3	2.8	2.5
Less Respendable Revenue	(1.4)	(1.2)	(0.2)
Net Expenditures	3.9	1.6	2.3

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
23	20	3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Access to optional services related to bill payments and a departmental financial management system offering.	Percentage of time bill payment and financial management services are delivered within established timeframes.	100%	100%

Performance Analysis and Lessons Learned

During fiscal year 2012-13, PWGSC continued to provide access to optional services related to image-based bill payments and a departmental financial management system offering, as part of the Receiver General Services Sub-Program.

Bill Payment Services managed the collection of funds on behalf of 4 departments, with an estimated volume of 1.35 million transactions. The Common Departmental Financial System supported 17 small departments and agencies in fulfilling their financial and materiel management obligations.

The difference in the financial resources table is mainly due to an allocation made to the Federal Pay and Pension Program to develop new system tools and amendments to the Regional Pay System due to legislative changes, while the decrease in FTEs is mainly due to staffing delays.

Sub-Program: Document Imaging Services

This sub-program provides document imaging and data capture business solutions, which include ISO 9001:2008 quality management and certified imaging processing, indexing and secure archiving of paper or electronic records to federal organizations on a cost-recovery basis.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	4.8	7.7	(3.0)
Less Respendable Revenue	(4.3)	(7.3)	3.0
Net Expenditures	0.5	0.4	0.1

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
75	82	(7)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Access to quality and efficient document imaging services.	Percentage increase in number of clients/ programs using imaging services, which bring economies of scale and reduce costs.	10%	14%
	Level of client satisfaction according to annual imaging survey results.	95%	100%

Performance Analysis and Lessons Learned

PWGSC continued to provide departments and agencies with access to quality and efficient document imaging services in 2012-13, through the Document Imaging Services Sub-Program.

PWGSC has continued to develop its leadership position in Document Imaging Services for the Government of Canada and through its efforts to increase awareness, achieved an 85% increase in document imaging volumes and was able to achieve an overall 15% cost reduction on all document imaging type services. This success has enabled PWGSC to expand its document imaging operations to Winnipeg, Manitoba, which will help to further reduce costs for client departments and agencies.

Increased awareness of the document imaging service has been successful in part due to active marketing at key governmental events and forums. Increased awareness also was enabled by the PWGSC Communications direct email marketing campaign entitled "The Advantage" and an active one-on-one marketing effort involving meetings with departments and agencies for in-person presentations and Q&A sessions. Partnership with PWGSC's Integrated Services Branch has also resulted in further successful promotion of this service. The difference in the financial resources table is mainly due to the increase in business volume activity during the fiscal year. The net variance is mainly due to the employee benefit plan and corporate costs which are not recoverable. The increase in FTEs is also mainly due to the increase in business volume activity.

Program: Information Technology Infrastructure Services

Effective August 4, 2011, Shared Services Canada[xix] was created, pursuant to s. 31.1 of the Financial Administration Act[xx] and Order-in-Council PC Number: 2011-0877.[xxi] Shared Services Canada's mandate is to standardize and consolidate information technology services in the federal government in order to reduce costs, improve services, and leverage capacity in the public and private sectors through pooled resources and greater buying power.

In 2012-13, Public Works and Government Services Canada transferred to Shared Services Canada the control and supervision of operational domains related to email, data centres and network services, including telecommunications for voice and data, IT Security and Distributed computing services, along with the associated funding.

The remainder of IT services at PWGSC is reported under the program Internal Services.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	9.4	9.4	-	-	9.4
Less Respendable Revenue	-	-	-	-	-
Net Expenditures	9.4	9.4	-	-	9.4

Totals may not add up due to rounding.

The difference is mainly due to the transfer of Data Centre Sustainability Project and Cyber Authentication to Shared Services Canada (SSC).

Program: Federal Pay and Pension Administration

This program provides reliable central systems and processes for pay and pension administration to other federal organizations. Through our pay and pension services, PWGSC ensures that federal government employees and pensioners are paid accurately and on time.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	117.3	122.1	202.8	198.7	(76.6)
Less Respendable Revenue	(88.2)	(88.2)	(118.1)	(118.1)	30.0
Net Expenditures	29.2	33.9	84.7	80.6	(46.6)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
1,163	1,314	(151)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Employees and retirees are paid accurately and on time through reliable and efficient central systems and processes.	Percentage of pay and pension (PSSA and CFSA) transactions actioned within established timeframes.	95.5%	87.5%
	PWGSC cost per account to administer pay for all Government of Canada employees.	$120	$108
	Government of Canada-wide cost per account to administer pension.	$162	$152

Performance Analysis and Lessons Learned

Through the Federal Pay and Pension Administration Program, PWGSC continued to ensure that employees and retirees were paid accurately and on time in fiscal year 2012-13, through reliable and efficient central systems and processes. In addition, this program is undergoing major transformation to modernize systems and improve processes, which will enable us to continue to achieve our expected results.

Over the year, there was a decrease in the percentage of pay transactions processed within established timeframes due to staff shortages which were resolved. Additionally, an expected disruption in the percentage of pension transactions processed within established timeframes occurred as pension transformation activities required the department to shut pension systems to implement the final pension system release. Mitigation measures have been put in place to ensure service levels are re-established early in the new fiscal year.

The implementation of major transformational initiatives provided a number of lessons learned. For example, following the first major system release of the Pension Modernization Project, PWGSC mobilized additional resources and took a more proactive and engaged approach to business transformation in order to best support its employees and minimize the impact on its clients.

The difference in the financial resources table is mainly due to the fact that additional funding for the Pay Modernization and Consolidation of Pay Services Projects, as well as for the Government of Canada Pension Modernization Project, was received after the planned spending for the fiscal year was determined. The increase in FTEs is due to successful recruitment in the

Public Service Pay Centre for Wave 1 of the Consolidation of Pay Services Project, as well as approval for the migration of RCMP and Canadian Forces Pension Administration to PWGSC.

Sub-Program: Pay

This sub-program administers the pay and benefits processes for the Public Service of Canada; develops and maintains computer systems and a national service office infrastructure; and provides training and advice to departmental compensation advisors. This allows departments to administer pay and benefits in accordance with collective agreements and compensation policies.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	29.4	73.5	(44.0)
Less Respendable Revenue	(1.5)	(2.8)	1.3
Net Expenditures	27.9	70.6	(42.8)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
369	471	(102)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The integrity of public service pay and benefits administration is maintained.	Timely and accurate processing and updating of government payroll as per schedule.	100%	100%

Performance Analysis and Lessons Learned

PWGSC continued to ensure that the integrity of public service pay and benefits administration was maintained. Moreover, the Transformation of Pay Administration Initiative will see the replacement of 40-year-old pay systems and processes with a modern solution based on industry standard practices, and the consolidation of pay services to one centre of expertise.

The Pay Modernization Project successfully completed its project definition activities and received approval in November 2012 to proceed with the implementation of the new Government of Canada pay solution. The department carried out detailed design activities, including preparation for workshops with a cross section of departments and agencies to validate the future business processes. Plans were finalized to develop tools to support departments with data cleansing activities. In addition, technical environments were created in partnership with Shared Services Canada for the design and development of the new pay solution.

Fiscal year 2012-13 saw the opening of the Public Service Pay Centre in Miramichi, NB, where pay services are being provided for over 10,400 employees from 12 departments, through the Consolidation of Pay Services Project. New technology and tools were successfully implemented, and professional development training for compensation advisor trainees was completed. The Consolidation of Pay Services Project initiated activities for Wave 2, planned for fall 2013, including construction, planning and fit up for a second temporary building, hiring activities, recruitment of 197 employees, process development and requirements for a new service delivery model which incorporates the integration of imaging and enhancements to tools for the Pay Centre.

The Transformation of Pay Administration Initiative benefitted from hands-on oversight at the senior management level to facilitate responsive, decisive and rapid decision-making. Continuous reinforcement of the project's end-goals, objectives and performance criteria helped to ensure a common direction for all team members. Senior management of the initiative maintained clear accountabilities between Crown and various private sector providers, and leveraged extensive knowledge and expertise from PWGSC Branches. Continuous risk management was in place to implement activities within scope, time and budget. The initiative leverages lessons learned from the Pension Modernization Project such as instituting a phased roll-out strategy for the new pay solution.

The difference in the financial resources table is mainly due to the fact that additional funding to implement the Pay Modernization and Consolidation of Pay Services Projects was received during the fiscal year. The revenue variance is mainly due to the fact that additional pay services were provided to clients during 2012-13. The increase in FTEs is due to successful recruitment in the Public Service Pay Centre for Wave 1 of the Consolidation of Pay Services Project.

Sub-Program: Pension

This sub-program administers the pension administration for the Public Service of Canada, including development and maintenance of services, processes and systems, provision of training and advice to compensation staff and employees, and provision of advice to, and liaison with pensioners. This allows departments to administer pensions and benefits in accordance with collective agreements and compensation policies, as well as to fulfill the requirements of the *Public Service Superannuation Act*.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	92.7	125.2	(32.6)
Less Respendable Revenue	(86.6)	(115.3)	28.7
Net Expenditures	6.0	9.9	(3.9)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
794	843	(49)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The integrity of the *Public Service Superannuation Act* (PSSA) and *Canadian Forces Superannuation Act* (CFSA) pension administration is maintained.	Timely and accurate processing of PSSA and CFSA pension benefits as per schedule.	100%	100%

Performance Analysis and Lessons Learned

The Pension Sub-Program continued to maintain the integrity of the *Public Service Superannuation Act* (PSSA) and *Canadian Forces Superannuation Act* (CFSA) pension administration in 2012-13, in addition to the successful implementation of the final releases to complete the Transformation of Pension Administration Project for the Public Service Pension Plan, on scope and within budget.

The Transformation of Pension Administration Project not only saw the complete modernization of 40-year old systems but, more importantly, improved the way PWGSC delivers its services. The project and its leadership have been recognized with prestigious awards for their tremendous achievement, including the 2012 Institute of Public Administration of Canada bronze award for leadership excellence, and the 2013 Canadian Government Executive Leadership Award. The new pension solution will be leveraged by the RCMP and DND; the Department initiated the migration of RCMP and Canadian Forces pension administration to PWGSC in 2010-11 and 2012-13 respectively.

The successful completion of the Pension Modernization Project was in part due to the continuous application of lessons learned throughout the course of the project, leading to an improved methodology and better project outcomes. These lessons learned were then adopted during planning for the RCMP and Canadian Forces Pension Projects, resulting in improved outcomes for these projects as well.

The difference in the financial resources table is mainly due to the fact that additional funding was received to complete the Government of Canada Pension Modernization Project, implement the Canadian Forces Pension Project and administer the *Public Service Superannuation Act* (PSSA) pension fund during 2012-13. The net variance is mainly due to the fact that the revenues collected for Shared Services Canada, to provide IT infrastructure services, were credited to the Consolidated Revenue Fund (CRF). The increase in FTEs is due to approval for the migration of RCMP and Canadian Forces Pension Administration to PWGSC.

Program: Linguistic Management and Services

This program shows the Translation Bureau as the manager of the government's terminology and linguistic authority mandated with the development, standardization and distribution of Terminology. It also ensures that there is a sustainable, qualified and secure supply of linguistic resources available to support any linguistic requirements of the government and to support Canada's economic and social agenda. Translation Bureau is the sole internal linguistic services provider offering federal organizations a broad base of linguistic solutions such as translation, interpretation and terminology. The program is mandated under the *Translation Bureau Act*.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	271.9	271.9	270.4	251.8	20.1
Less Respendable Revenue	(191.2)	(191.2)	(187.9)	(173.4)	(17.8)
Net Expenditures	80.7	80.7	82.5	78.5	2.3

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
1,546	1,529	17

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Government of Canada is able to operate in both official languages and to communicate with Canadians in the official language of their choice.	Percentage of documents translated within the time allotted by Parliament.	over 95%	96%
	Percentage of clients with a service agreement.	over 90%	77%
	Percentage of agreed-upon deadlines met for translation services delivered to federal organizations.	over 90%	96%
	Total cost of linguistic services/ Total billed time.	$90 per billed hour	$88.44
	Percentage of clients satisfied with translation services.	85%	90%

Performance Analysis and Lessons Learned

To deal with the fluctuating demand, PWGSC's Translation Bureau continued with the implementation of its transformation initiative to modernize the organization and equip it with a solid foundation for the future. In 2012-13, the Bureau sought to consolidate its office space, particularly in the National Capital Region, and increased the number of employees that telework. It also initiated the streamlining of its administrative processes. The Translation Bureau achieved efficiencies and saved nearly $8 million in 2012-13.

Moreover, it capitalized on technological advances during the fiscal year by expanding access to various technological tools that made employees' work much easier and helped improve the client experience. During the 2012-13 fiscal year, these measures allowed the Translation Bureau to increase the productivity of its employees by 3.3%.

The Translation Bureau also expanded its knowledge of the translation industry in Canada and abroad. The benchmarking analysis, completed early in 2012-13, provided useful information on the translation market in Canada and on the best practices of international organizations of comparable size.

With respect to its client relations, the Translation Bureau supported implementation of PWGSC's Client Service Strategy by actively participating in negotiating nine departmental service agreements with client departments. Translation Bureau also concluded service agreements with its own clients, although some clients reserved decisions pending budget and priority setting exercises.

The difference in the financial resources table is mainly due to the decline in the business volume of the Linguistic Management and Services Program as client departments either reduced their use of the service because of their own reduced activities or as a result of increased use of alternative suppliers.

Sub-Program: Management of Translation Function

This sub-program aims to provide federal organizations with a sustainable supply of linguistic services through the establishment of professional practices and quality assurance mechanisms for translation services. It helps to establish and enhance the Official languages as well as the Aboriginal and foreign languages capacity that the Government and Canada requires to achieve the country's social, economic, diplomatic and security related objectives.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	6.5	6.4	0.1
Less Respendable Revenue	(0.5)	(0.5)	-
Net Expenditures	6.0	5.9	0.1

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
3	4	(1)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Government of Canada benefits from a sustainable supply of linguistic services.	Percentage of program funds allocated to enhancement projects for the Language Sector.	95%	99%

Performance Analysis and Lessons Learned

The Management of Translation Function sub-program consists of activities of the Canadian Language Sector Enhancement Program, a program that was announced July 2009 as part of the government's Roadmap for Canada's Linguistic Duality 2008-13: Acting for the Future. The program received $18 million for five years to implement its two components: $8 million for University Scholarships in Translation and $10 million for the Language Industry Initiative.

The Translation Bureau completed implementation of the last year of the Canadian Language Sector Enhancement Program. A horizontal evaluation carried out by Canadian Heritage and PWGSC concluded that this program had achieved its objective to strengthen the language sector and develop a skilled workforce in Canada by funding 16 projects, including 7 projects for the University Scholarships in Translation component and 9 projects for the Language Industry Initiative.

The Program spent 99.4% of its total budget, since some proponents did not spend all the funds allocated to them under their contribution agreements.

In 2012-13, the Program paid out slightly more than $5 million in contributions. Roughly $2 million was paid to students for 1,088 translation scholarships. The number of students enrolled in a translation program in Canada in 2012-13 increased by 37% compared with enrolments prior to the inception of the Program.

Slightly more than $3 million in contributions for projects under the Language Industry Initiative component also helped enhance the industry's profile, promote the various language professions, provide 148 practicums for translation students with industry organizations and fund innovation projects.

Sub-Program: Terminology Standardization Program

The sub-program establishes terminology and language standards to promote consistency and quality in the government's communication with Canadians and to optimally manage the government's terminology expertise, strengthen the government's role in the language field on the national and international scenes and showcase Canada's collective wealth of linguistic and terminological knowledge.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	27.6	25.8	1.9
Less Respendable Revenue	(14.5)	(14.0)	(0.5)
Net Expenditures	13.2	11.8	1.4

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
99	94	5

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A generally accepted standardized terminology is used within the Government of Canada.	Annual growth rate of searches in TERMIUM®.	12%	-5%
	Percentage of 1 business day deadlines met of terminology queries and requests received by the Terminology Service (commonly called SVP).	95%	97%
National and international standardization organizations reflect the Government of Canada usage.	Number of national and federal standardization committees and international fora at which the Translation Bureau is representing the GC.	35	32

Performance Analysis and Lessons Learned

The Translation Bureau continued to expand the Language Portal of Canada, which offers Canadians a wide range of very diverse resources (quizzes, news, articles, tips and so on). It also continued to add to TERMIUM®, the Government of Canada's terminology and linguistic data bank, which is available free of charge to Canadians through the Portal and is the second largest terminology data bank in the world. In 2012-13, some 67,000 records were created, amended or deactivated in TERMIUM®. There was a slight decrease of 5.36% in TERMIUM® searches, for a total of 85.2 million searches in 2012-13.

To make the Portal more accessible, the Bureau introduced a mobile application, ourlanguages.gc.ca on the go!, which gives smartphone users direct access to the TERMIUM® terminology and linguistic data bank and allows them to do searches on their devices using an interface adapted to smaller screens.

The Bureau also maintained its relationships with its national and federal partners, particularly through the activities of the Federal Terminology Council and the National Terminology Council. At the international level, it continued to present Canada's views, as the representative of Canada, to organizations like the North Atlantic Treaty Organization (NATO) and the International Organization for Standardization (ISO). These relationships led to the publication of terminology reference documents such as the G8 and G20 Terminology Glossary and the Emergency Management Vocabulary at a national level, and the Pan-African Vocabulary on Elections and the Panlatin Wind Power Glossary at an international level.

The difference in the financial resources table is mainly due to attrition and reduced promotional costs for the Language Portal.

Sub-Program: Translation and Other Linguistic Services

The sub-program aims to ensure the provision of quality and cost effective translation, revision, technolinguistics and other linguistic services to the judiciary and federal departments and agencies on a cost recovery basis. The program is mandated under the *Translation Bureau Act*.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	161.0	145.3	15.7
Less Respendable Revenue	(149.7)	(140.2)	(9.5)
Net Expenditures	11.3	5.1	6.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
1,141	1,115	26

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality linguistic services are offered to departments and agencies at a reasonable cost.	Percentage of clients satisfied with translation services.	85%	90%

Performance Analysis and Lessons Learned

The Translation Bureau translated over 1.33 million pages for departments and agencies. In order to maintain close relations with its clients and offer high-quality services, 75 translators worked directly with clients and 489 translators were assigned to specific clients. The Bureau met the agreed-upon deadlines more than 96% of the time.

It also played a predominant role in delivering high-quality linguistic services for several strategically important events. For example, it developed a close partnership with the Department of Finance in the weeks leading up to the tabling of the 2013 Budget. It also translated daily reports and other documents associated with security during the London Olympic Games.

In addition, it reached an agreement with the Medical Council of Canada (MCC) for the delivery of multilingual services, which helped the MCC assess the skills of thousands of candidates from all over the world. Furthermore, it translated documents relating to the appointment of a judge to the Supreme Court of Canada and also, within a few hours, set up a team dedicated to the Emergency Operations Centre for the Avian flu (H7N9) in order to provide ongoing service.

The Translation Bureau is having to adapt its resource allocation to respond to the fluctuating demand from client departments and agencies. It is also adapting to rapid technological changes that are having a significant impact on the language profession. The Bureau needs to ensure that it supports client departments and agencies with seamless service as it implements its internal transformation process.

The difference in the financial resources table is due to declining business volumes resulting from increased client use of alternative suppliers as well as a general decrease in demand from government departments. In addition, surplus revenue of $8 million was identified and should have been reported under Translation and Interpretation to Parliament.

Sub-Program: Translation and Interpretation to Parliament

This sub-program provides timely translation, interpretation and other linguistic services to Parliament. This enables Parliament to function in both official languages and any other languages required. It is managed from a special purpose allotment excluded from the revolving fund.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	45.4	45.2	0.2
Less Respendable Revenue	(7.7)	-	(7.7)
Net Expenditures	37.7	45.2	(7.6)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
256	266	(10)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality and timely linguistic services are offered to Parliament.	Percentage of priority 1 documents translated within the time allotted by Parliament.	100%	100%
	Percentage of priority 2 documents translated within the time allotted by Parliament.	95%	98%

Performance Analysis and Lessons Learned

The difference in the financial resources table is mainly due to a decrease in the amount of translation required as a result of the increased use of closed proceedings by parliamentary committees. Moreover, revenue of $8 million was erroneously captured under Translation and Other Linguistic Services and should have been included in this sub-program.

The Translation Bureau provided translation and interpretation services at all hours of the day during 1,877 sessions of Parliament and parliamentary committee and subcommittee meetings in 2012-13. It also translated legal, legislative, technical and administrative documents for parliamentary institutions in Canada.

In addition, it provided bilingual closed-captioning and interpretation services in Langue des signes québécoise during 140 televised sessions of the daily Question Period in the House of Commons (HoC). Since January 2013, HoC proceedings have been completely closed-captioned both in English and in French. A pilot project was also carried out from January to March 2013 to extend bilingual closed captioning to the televised proceedings of HoC committees.

By working closely with the HoC, the Senate and the Library of Parliament, the Bureau improved its tools and administrative practices to better meet client needs:

- Introduction of a new application—the Senate Translation Application (STA)—in partnership with House of Commons Information Services for the purpose of acquiring a modern, powerful tool for processing translation requests relating to Senate proceedings.
- Providing the Parliamentary Interpretation unit interpreters with several new technological tools to facilitate research and support them in their work in booths, especially through the use of the Translation Bureau's ourlanguages.gc.ca on the go! mobile app.
- Launch of a translation memory pilot project at the Parliamentary Documents Division in order to improve the efficiency of processing translation requests from Parliament.

To ensure the ongoing quality of its service, the Bureau will continue to introduce technological changes during the next fiscal year in order to speed up and further facilitate the translation of documents for parliamentary institutions.

Sub-Program: Conference Interpretation

This sub-program aims to ensure the provision of conference interpretation services in both official languages and other languages to the judiciary and federal departments and agencies in support of government's operations, official events and missions abroad.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	31.4	29.1	2.3
Less Respendable Revenue	(18.9)	(18.7)	(0.1)
Net Expenditures	12.6	10.4	2.2

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
47	50	(3)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality and timely interpretation services are offered to the judiciary and federal organizations.	Percentage of interpretation requests of conferences/events for which the Bureau has delivered services.	95%	98%

Performance Analysis and Lessons Learned

In 2012-13, the Translation Bureau provided conference interpretation services in Canada's two official languages, in foreign languages and in visual languages (American Sign Language and Langue des signes québécoise) for the judiciary and federal departments and agencies.

In order to better meet the needs of its clients and improve planning and accountability, the Translation Bureau also made improvements to work tools and internal administrative practices. For example, a number of new technological tools were made available to the interpreters with the Conference Interpretation unit to give them access to PWGSC emails in their workplace and to make Internet searches easier, especially through the use of the Translation Bureau's ourlanguages.gc.ca on the go! mobile app. To further increase the efficiency of interpreters, the Bureau will continue its activities to improve the technological tools available to them.

In order to simplify the contracting process and make it more secure, progress was made on developing open contract templates for conference interpretation services. These templates will be introduced during the next fiscal year.

The Bureau continued its partnership with the University of Ottawa in delivering the Masters Program in Conference Interpretation in order to prepare succession planning for interpretation in Canada. As the Five-Year Memorandum of Understanding (MOU) expires in 2013-14, negotiations for its renewal were completed and the MOU is being drafted.

The difference in the financial resources table is mainly due to a reduction in conference interpretation services because of fluctuating demand from federal departments and agencies.

Program: Specialized Programs and Services

This program provides federal organizations with high quality, timely and accessible specialized services and programs in support of sound, prudent and ethical management and operations.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	102.7	102.7	109.9	105.9	(3.2)
Less Respendable Revenue	(57.0)	(57.0)	(56.3)	(56.3)	(0.7)
Net Expenditures	45.7	45.7	53.5	49.5	(3.8)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
387	614	(227)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have access to quality services to improve the management, delivery and safeguarding of selected government operations and/or assets while minimizing their impact on the environment.	Percentage of legislated publication dates met by Canada Gazette.	100%	100%
	Number of planned Departmental Service Agreements (DSAs) completed.	9	9
	Percentage of simple reliability screenings processed within 7 working days.	80%	86.6%
	Percentage of clients satisfied with quality of services.	85%	84.5%
	Percentage of sub-programs and services that meet their expected results including service levels or published standards.	100%	75%
Federal Cabinet Ministers and their officials receive secure accommodations and services through Ministers' Regional Offices located across Canada, enabling them to conduct Government of Canada business outside of the National Capital Region.	Annual cost of MROs per client served.	No more than $149.	$148.16

⑨

Performance Analysis and Lessons Learned

In 2012-13, PWGSC provided high quality services to improve the management, delivery and safeguarding of selected government operations and/or assets while minimizing their impact on the environment. As such, the Department:

- Continued to provide information to Canadians on Government of Canada programs and publications and supported the effectiveness of Government of Canada communications activities.

- Provided high quality, timely and cost effective corporate administrative systems and Human Resources services to government departments and agencies and contributed to a more effective and well managed public service.
- Improved upon its processes to manage outstanding personnel screening requests and completed an administrative review of pending Secret personnel security clearance requests.
- Continued to provide high quality and timely forensic accounting services to law enforcement agencies and prosecution services across Canada on criminal investigations with financial components.
- Produced section V of the Federal Sustainable Development Strategy Progress Report. This document assessed the government-wide progress to date in implementing the 11 Federal Sustainable Development Strategy (FSDS) Theme IV targets.
- Continued to contribute to the Government of Canada's broad-based agenda by providing assistance and support to Ministers when they conducted Government of Canada business outside the National Capital Region.

The difference in the financial resources table is mainly due to additional funding for the enhancement of the Controlled Goods Program to safeguard controlled goods within Canada and prevent them from being accessed by unauthorized persons; expenditures in Minister's Regional Offices related to the opening of Northern offices; the wind-down of the Exhibitions Program; and savings generated as a result of fiscal restraint measures.

The increase in FTEs is mainly due to the addition of FTEs from two sub-programs that were originally accounted for under the Internal Services program in the 2012-13 Report on Plans and Priorities (RPP). Also, efforts were ongoing to place eight affected employees of Audit Services Canada, a sub-program that was wound down in 2011.

The overall performance of this program was measured using a client satisfaction indicator. However, only two performance indicators within the suite of eight sub-programs are client satisfaction indicators, resulting in limited reporting. This indicator was developed prior to Treasury Board Secretariat changes to the procedures used to conduct Public Opinion Research (POR), put in place in 2009. The changes required ministerial level approval for POR requests. Some sub-programs under Specialized Programs and Services opted to develop alternate measures to ensure more timely reporting. It has become necessary for PWGSC to develop a new indicator at the program level to provide a more fulsome measure of the program.

Sub-Program: Government Information Services

This sub-program provides information to Canadians on Government of Canada programs and publications and supports the effectiveness of Government of Canada communications activities through the provision of the Depository Services Program; Crown Copyright and Licensing; Government of Canada Publishing; Public Opinion Research Coordination; Advertising Coordination and Partnerships; The Canada Gazette; and Electronic Media Monitoring.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	32.2	24.7	7.5
Less Respendable Revenue	(8.4)	(5.3)	(3.1)
Net Expenditures	23.8	19.4	4.4

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
0	124	(124)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canadians have access to centralized Government of Canada information and federal organizations receive advice to improve delivery of selected Government of Canada communications activities.	Percentage of information services meeting established performance targets.	85%	100%

Performance Analysis and Lessons Learned

A decrease of 21% in the number of expected FTEs in 2012-13 was mainly a result of the implementation of budget 2012 cost savings and efficiency measures. This along with normal attrition resulted in a decrease of 33 FTEs.

Planned spending decreased by 18% because some planned staffing did not occur and two IT enabled projects were delayed: the Integrated Library System and the data conversion of catalogued publications in MARC21 format.

Given Government Information Services government-wide role as a mandatory and optional service provider, many of its performance indicators are not only demand driven but are also influenced by factors such as government direction. For this fiscal year, Publishing and Crown Copyright and Licensing, and Depository Services performance indicators were not included as a result of implementation of efficiency measures. As a result, four business lines were included and these met their targets with Actual Results of 100%.

To note, financial and HR information for Government Information Services include both that from the Associate Deputy Minister's Office and the Business Planning and Management Services of the Integrated Services Branch. This mirrors the information in the ARLU and the PAA.

The difference in FTEs is as a result of counting the resources under this sub-program as opposed to under the Internal Services program in the 2012-13 RPP.

Sub-Program: Shared Services Integration

This sub-program provides shared corporate administrative support services, on a fee-for-service basis, to achieve efficiencies for client federal organizations. Shared Services Integration (SSI) streamlines internal service operations and provides significant cost and risk avoidance. SSI reduces the number of administrative IT systems across government, and purchases, creates, modifies and maintains common GC versions of products, eliminating duplication in individual departments and allowing them to focus resources on key programs. SSI provides the full range of HR services and expertise to small federal departments and agencies.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	30.3	33.5	(3.2)
Less Respendable Revenue	(28.5)	(31.0)	2.5
Net Expenditures	1.9	2.5	(0.7)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
0	94	(94)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have access to high quality, timely and cost-effective corporate administrative systems support and HR services that contribute to a more effective and well managed public service.	Percentage of client satisfied with services provided by SSI.	80%	74%
	Percentage accuracy of on-line compensation transactions.	96%	99.7%
	Percentage of full costs recovered.	100%	100%

Performance Analysis and Lessons Learned

SSI provided high quality, timely and cost effective corporate administrative systems and Human Resources services to government departments and agencies and contributed to a more effective and well managed public service while recovering 100% of its costs.

The satisfaction rate among SSI clients (74%) fell slightly short of its target mainly as a result of the impact of central agency transformational initiatives on cluster governance and projects and the clusters' adjustment to SSI's re-organization.

SSI collaborated with stakeholders and central agencies to identify opportunities for administrative efficiencies and improve horizontal management of corporate administrative services. Our Shared Human Resources Services grew by assisting Departments and Agencies in implementing Common HR Business Processes (CHRBP) and Work Force Adjustment activities, ensuring that HR activities are consistently and efficiently carried out in a common manner across government.

SSI continued to be a major component in the government's strategy for internal service transformation by working collaboratively with central agencies and cluster members to integrate government-wide horizontal initiatives with administrative system cluster plans.

SSI continued to support departments and agencies by providing a "one stop shop" for Human Resources services. These include offering punctual services, providing support to address increased workload and offering an alternative to organizations that do not have the appropriate in-house HR capacity or expertise.

An organizational review of SSI resulted in a flatter organizational structure and a more collaborative environment. The difference in planned vs. actual FTEs is attributed to this review which resulted in workforce reduction.

The difference between SSI's planned spending and actual spending is attributed to expenses related to the HRIS replacement project.

The difference in FTEs is as a result of counting the resources under this sub-program as opposed to under the Internal Services program in the 2012-13 RPP.

Sub-Program: Government Consulting Services

This sub-program was removed from the Program Alignment Architecture (PAA) structure as the program was terminated. The change will come into effect during the 2013-14 Strategic Outcome (SO) and PAA Amendment process.

Sub-Program: Industrial Security Program

This sub-program supports the Government's obligations to protect sensitive and classified information entrusted to the private sector through government contracts awarded by PWGSC and to safeguard controlled goods within Canada from unauthorized possession, examination and/or transfer. It is the government's primary service provider for the delivery of contract security and controlled goods activities. It also supports Canada's economic growth by ensuring security in government contracts and enabling Canadian industry to access classified and sensitive domestic and international opportunities.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	29.0	34.0	(5.0)
Less Respendable Revenue	(16.7)	(16.4)	(0.2)
Net Expenditures	12.4	17.6	(5.2)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
271	289	(18)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Classified/protected Government of Canada information and assets are safeguarded and controlled goods are protected while in the custody of private sector companies.	Percentage of industrial security services meeting established performance targets.	80%	77%

Performance Analysis and Lessons Learned

In 2012-13, the department continued to ensure the safeguarding of sensitive information and assets entrusted to industry. Specifically PWGSC:

- Completed 86,341 Personnel Security clearances, reviewed 3,253 Security Requirement Check Lists and 8,983 contract documents, and registered 1,477 additional companies in the Industrial Security Program.
- Processed 1,502 controlled goods registration applications, completed 1,544 compliance inspections, and assessed 2,197 foreign visitors/temporary workers.
- Actively consulted and engaged Canadian industry and worked with Security and Intelligence partners and allies to ensure integrity and security in the global supply chain. This led to an increased security posture for government and greater understanding of the importance of government security requirements by industry.
- Continued to implement the Enhanced Security Strategy (ESS). In support of this initiative, 52% of private industry Designated Officials completed specialized training on new security assessment processes between October 2011 and March 2013 and 94% of responders rated the training session as 'excellent' and were completely satisfied.

In 2012-13, 77% of the program's services met established performance targets. Complex Reliability clearance requests, Canadian and international visit clearance requests and controlled goods inspections exceeded their performance targets. Controlled Goods Program registration fell considerably below target largely due to 43% annual increase in volumes of new applications, associated with the National Shipbuilding Procurement Strategy. An action plan was implemented to streamline processes and assign additional resources and these measures have already led to improved service results.

Consultation with industry, stakeholders, other government departments and international partners is valuable in developing a national position for Industrial Security. In this context, the Controlled Goods Program (CGP) established an Industry Engagement Committee (IEC) to ensure that Industry members are consulted, informed, and are active participants in the cultural shift as the changes to improve the management of the CGP are implemented.

PWGSC has improved upon its processes to manage outstanding personnel screening requests and completed an administrative review of pending Secret personnel security clearance requests. Revised standard operating procedures for the management of pending reliability screening and security clearance requests were developed.

The difference in the financial resources table is mainly due to two major initiatives (Business Transformation and enhancement of the Controlled Goods Program to safeguard controlled goods within Canada and prevent them from being accessed by unauthorized persons) not originally included in planned spending.

Sub-Program: Forensic Accounting

This sub-program provides forensic accounting services to national and international governments, law enforcement agencies and prosecution services on criminal investigations in areas such as white collar crime, proceeds of crime, commercial crime, money laundering, securities market fraud, organized crime, illicit drugs, and terrorist activities. The program supports police investigations and prosecutions by providing specialized advice, detailed forensic accounting reports, and expert witnesses testimony on the financial aspects of criminal investigations. The program's ultimate goal is to serve the Canadian Criminal Justice system by identifying, analyzing, and explaining complex financial and accounting elements of criminal activities in an objective, independent and non-technical manner, thus helping judges and juries make informed decisions.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	5.4	5.5	(0.1)
Less Respendable Revenue	(2.7)	(2.9)	0.2
Net Expenditures	2.7	2.5	0.1

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
47	45	2

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality and timely forensic accounting expertise, expert witness and advisory services are made available to internal and external public clients, and other levels of government and foreign governments.	Percentage of clients satisfied with quality and timeliness of required services.	85%	95%

Performance Analysis and Lessons Learned

The Department continued to provide high quality and timely forensic accounting services to law enforcement agencies and prosecution services across Canada on criminal investigations with financial components. In 2012-13, departmental forensic accountants provided direct assistance on criminal investigations across Canada, and testified as expert witnesses in over a dozen court proceedings. The support, services and expert forensic accounting advice provided by the organization was instrumental in assisting in a number of successful plea bargains or prosecutions in criminal cases.

The departmental forensic accountants are co-located with the RCMP across Canada, in fourteen locations. Due to this unique work environment, it has been very important to engage staff. In that regard, senior management has focused on introducing the expertise of, and the work done by, the Forensic Accounting Management Group to the department through presentations to staff and executives, and on further leveraging their unique expertise on key departmental initiatives to create synergies with other program areas.

Sub-Program: Audit Services Canada

This sub-program was removed from the Program Alignment Architecture (PAA) structure as the program was terminated. The change will come into effect during the 2013-14 Strategic Outcome (SO) and PAA Amendment process.

Sub-Program: Greening of Government Operations

This sub-program provides government-wide leadership in greening government operations to be achieved through both effective greening of PWGSC's own operations and providing government-wide leadership to enable significant reductions in the environmental impact of federal operations. This is done through the development of policies and guidelines pertaining to environmental stewardship.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	3.2	2.6	0.6
Less Respendable Revenue	(0.7)	(0.7)	-
Net Expenditures	2.5	1.9	0.6

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
25	20	5

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Department-wide leadership in decreasing the environmental footprint of PWGSC's operations.	Percentage of PWGSC Sustainable Development Commitments met or on track.	100%	62.5%

Performance Analysis and Lessons Learned

In 2012-13, PWGSC's Office of Greening Government Operations (OGGO) produced section V of the Federal Sustainable Development Strategy Progress Report. This document assessed the government-wide progress to date in implementing the 11 Federal Sustainable Development Strategy (FSDS) Theme IV targets. The FSDS Progress Report was tabled in Parliament on February 15, 2013 and was made available to the public via Environment Canada's Website[xxii].

All departments have begun to implement strategies to meet various targets to green their operations. This is resulting in substantial reductions in the number of printing units and paper used by office employees, improvement in departments' management of their electronic waste, greater attention to minimizing the environmental impact of meetings and greening the procurement of key goods and services.

In 2012-13, OGGO also undertook research and consultations with the 27 departments subject to the Federal Sustainable Development Act in order to develop the Draft 2013-16 Federal Sustainable Development Strategy. The public consultation period was launched, under Environment Canada's leadership, in February 2013 for a 120-day period.

The preliminary results observed for the first year of implementation of the 11 Theme IV targets show that the Government of Canada has made significant strides in greening its operations. Assessing the implementation progress to date also allowed PWGSC to recognize areas for improvement for the implementation of the next version of FSDS. This includes providing departments with more flexibility in achieving targets and simplifying the performance reporting.

The difference in the financial resources table is mainly due to savings measures.

Sub-Program: Ministers Regional Offices

This sub-program facilitates administrative efficiency and public access by supporting all Federal Cabinet Ministers and their officials through the provision of secure regional offices and administrative support, which enables them to conduct Government of Canada business outside the National Capital Region.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	2.5	5.6	(3.0)
Less Respendable Revenue	(0.1)	-	(0.1)
Net Expenditures	2.4	5.6	(3.1)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
44	39	5

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal Cabinet Ministers and their officials receive secure accommodations and services through Ministers' Regional Offices located across Canada, enabling them to conduct Government of Canada business outside of the National Capital Region.	Annual cost of MROs per client served.	No more than $149.	$148.16

Performance Analysis and Lessons Learned

In 2012-13 the Ministers' Regional Offices (MRO) Program continued to provide assistance and support to Ministers when they conducted Government of Canada business outside the National Capital Region. This included providing shared office space and administrative services to Ministers and their staff, ensuring efficiency, effectiveness, sound security and cost savings. A new office was opened in Whitehorse, Yukon and the office in Moncton was relocated to Fredericton, New Brunswick. Efforts continued towards permanent staffing in order to reduce long term actings and stabilize staff in the program. The program managed fifteen offices, made progress towards opening another, and provided services for 2,350 meetings held in the MROs as well as for 807 ministerial visits.

The difference in financial resources is mainly due to Minister's Regional Offices program incurring additional expenses related to the opening of Northern offices.

Program: Procurement Ombudsman

This program, operating at arm's length from the government, reviews procurement practices across federal departments and agencies, investigates complaints from potential suppliers with respect to awards of contracts for goods and services below certain threshold, and complaints concerning the administration of contracts, and ensures the provision of an alternative dispute resolution program for contracts. This program helps to promote fairness and transparency of the procurement process.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	4.3	4.3	4.3	3.9	0.4
Less Respendable Revenue	-	-	-	-	-
Net Expenditures	4.3	4.3	4.3	3.9	0.4

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
28	28	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Increased awareness of fairness, openness and transparency in federal procurement practices.	Percentage of formal complaints, requests for alternate dispute resolution services and procurement practice reviews addressed within the timelines stipulated in the Procurement Ombudsman Regulations.	100%	100%
	Percentage of all inquiries and complaints addressed by the provision of information, referrals to appropriate authorities and facilitation.	100%	100%

Performance Analysis and Lessons Learned

The Office of the Procurement Ombudsman (OPO) published its 2012-13 Annual Report which provides Parliamentarians and Canadians with information on the OPO's mandate and services, as well as the results of its work in 2012-13.

In 2012-13, OPO continued efforts to raise awareness of the Office's mandate and services in the Canadian supplier community. This included redesigning the website from the perspective of Canadian suppliers, as well as participating in an increased number of conferences, meetings and events. These activities also allowed OPO to gather information on procurement issues and trends from suppliers, associations, the federal procurement community and external organizations, and to share information and effective practices with these stakeholders.

In addition, the Office continued efforts to strengthen the operations of the organization to enhance service delivery, and to ensure that each complaint and inquiry made to the Office is responded to in a professional, helpful and timely manner.

OPO adjusted its expected result at the program level to focus on the awareness of fairness, openness and transparency in procurement practices. The laws, regulations and policies governing procurement are outside the scope of OPO's legislative mandate. While the Office has no direct control over whether or not fairness, openness and transparency are increased, by addressing complaints and ADR requests in a timely manner, and through the provision of procurement-related information, OPO can indirectly influence whether the awareness of fairness, openness and transparency is increased.

In 2012-13, OPO obtained the results of an independent Formative Evaluation which evaluated the Office's performance and identified areas for further analysis. The report concluded OPO has been implemented as intended and that there is an ongoing "strong" need for the services provided by the Office. The report made recommendations to further examine a number of areas in order to address observations made by suppliers. OPO developed, and is implementing, an action plan to address the report's recommendations, including examining ways to increase the use of Alternative Dispute Resolution services and maximize awareness of the Office's services amongst Canadian suppliers.

Sub-Program: Review of Procurement Practices

This sub-program allows for an independent third party to review government-wide procurement practices and makes recommendations for improvement. The program is important to ensure integrity, transparency and sound management of government's procurement activities.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	2.1	2.4	(0.3)
Less Respendable Revenue	-	-	-
Net Expenditures	2.1	2.4	(0.3)

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
14	14	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations receive impartial, relevant and achievable recommendations.	Percentage of departments, whose practices were reviewed, and who have taken action in response to recommendations.	90%	100%
	Percentage of federal organizations finding the Procurement Ombudsman's recommendations: (1) Impartial; (2) Relevant; and (3) Achievable.	100%	Not available.[7]

Performance Analysis and Lessons Learned

In 2012-13, three procurement practice reviews were completed. Two reviews examined the procurement practices of a federal department, revealing issues such as failure to comply with departmental and Treasury Board policies and guidelines.

The third review examined the extent to which 15 federal organizations, which had participated in the procurement practice reviews undertaken by OPO in 2009-10, had responded to the OPO recommendations. OPO was encouraged by the continued commitment on the part of the organizations to improving their procurement practices and the actions taken by the organizations to address the shortcomings identified in the original OPO reports.

Due to the nature of the reviews conducted in 2012-13 and the topics addressed, OPO was not in a position to examine the simplification of the rules and the reduction of paper burden on suppliers as stated in the 2012-13 Report on Plans and Priorities.

Following the third review, OPO reworded its sub-program performance indicator to better reflect its process of evaluating departments' responses to recommendations. The new performance indicator better measures the expected result by identifying departments whose practices were reviewed and focusing on the impact of the recommendations and actions taken in response to them.

OPO strengthened its procedures to gather and analyze procurement-related information, developing a more systemic approach to monitoring issues, trends and developments in procurement. In addition, the Office updated its methodology and assessment process for selecting review topics which will result in a three-year procurement practice review plan.

Sub-Program: Supplier Complaints

This sub-program ensures that complaints regarding contract award and administration from potential suppliers and the Canadian public are addressed in a fair, impartial and timely manner by an independent third party. It also establishes a resolution process for contract disputes.

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[7] This performance indicator does not accurately reflect the Ombudsman's mandate and has been removed from the 2013-14 Performance Management Framework.

Financial Resources – For Sub-Program Level ($ millions)

	Planned Spending 2012-13	Actual Spending 2012-13	Difference 2012-13
Gross Expenditures	2.2	1.5	0.7
Less Respendable Revenue	-	-	-
Net Expenditures	2.2	1.5	0.7

Totals may not add up due to rounding.

Human Resources (FTEs)

Planned 2012-13	Actual 2012-13	Difference 2012-13
14	15	(1)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Complaints and contacts addressed in a timely manner.	Percentage of complaints addressed within the timelines stipulated in the Regulations.	100%	100%
	Percentage of issues not falling within Procurement Ombudsman's mandate yet still addressed.	90%	100%

Performance Analysis and Lessons Learned

During the 2012-13 fiscal year OPO processed 369 contacts, of which 233 were procurement-related. Of the 233 procurement-related contacts, 112 were procurement issues mostly related to concerns regarding the award of contracts. Of the 112 procurement issues, 30 were filed in accordance with the Procurement Ombudsman Regulations. OPO completed one review, and initiated two others which will carry over to the 2013-14 fiscal year. The completed review dealt with the award of a contract for communication services. The review found issues regarding the rated criteria and associated point allocation method, and with the department's willingness to provide debriefings following the award of the contract.

OPO also continued to provide both formal and informal Alternative Dispute Resolution services to suppliers and departments, and to proactively stimulate dialogue between the partners geared toward finding solutions to disputes and avoiding potentially lengthy and costly legal proceedings whenever possible. In 2012-13, OPO received four requests for Alternate Dispute Resolution, and these requests were processed in accordance with the Procurement Ombudsman Regulations. An additional fifth case, which was initiated in 2011-12, was completed in 2012-13 fiscal year.

OPO's practice of responding to procurement concerns had primarily been comprised of three options: contract dispute resolution through formal or informal processes; reviews of complaints respecting the award or administration of contracts; and gathering information to consider as topics for procurement practice reviews. Although these options helped OPO respond to the multiple issues brought to its attention, the Office took the opportunity to better tailor its services to the needs of the community it serves: Canadian suppliers. OPO implemented the use of additional tools, such as departmental letters, analysis, studies and targeted reviews, which allow it to better disseminate helpful procurement information to stakeholders, as well as to identify systemic issues in a timely manner.

OPO has renewed its website with more in-depth and in-demand information on services for suppliers. Furthermore, OPO is creating interactive web tools, such as on-line complaint and Alternative Dispute Resolution forms, which will allow OPO's clients to interact with the Office more easily in the future.

OPO adjusted its expected result at the sub-program level by measuring the timeliness of its responses to inquiries and complaints. The difference in financial resources is mainly due to lower than anticipated costs for Information Technology services and a lower number of days billed for services.

Program: Internal Services

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal Services include only those activities and resources that apply across an organization and not those provided specifically to a program, such as human resources, information technology, finance and corporate services.

Financial Resources – For Program Level ($ millions)

	Total Budgetary Expenditures (Main Estimates) 2012-13	Planned Spending 2012-13	Total Authorities (available for use) 2012-13	Actual Spending (authorities used) 2012-13	Difference (Planned vs. Actual Spending) 2012-13
Gross Expenditures	369.1	369.1	428.2	399.8	(30.6)
Less Respendable Revenue	(155.4)	(155.4)	(162.9)	(162.9)	7.5
Net Expenditures	213.7	213.7	265.3	236.9	(23.2)

Totals may not add up due to rounding.

Human Resources (FTEs) – For Program and Sub-Program Level

Planned 2012-13	Actual 2012-13	Difference 2012-13
3,032	2,446	586

Performance Analysis and Lessons Learned

Financial Management

PWGSC contributed to the achievement of the Government's agenda by delivering on the following priorities:

1. Maintenance of strong financial oversight function to ensure the successful implementation of the PWGSC budget savings initiative;
2. Continuous enhancement of capital management and IT investments as well as acquired services through the implementation of PWGSC's Integrated Investment Plan, and its governance framework;
3. Sustaining Departmental Budget Management Excellence by enhancing budget monitoring and forecasting to ensure more effective allocation of resources to business priorities;

4. Completion of PWGSC's Cost Recovery Framework along with continuous monitoring of Departmental activities to deliver cost effective common services to Other Government Departments;
5. Continuous implementation of the PWGSC Financial Management Framework which sets out a common approach for financial management and control across the Department;
6. Strengthening Departmental Financial Management System capabilities and controls to ensure that PWGSC efficiently meets the requirements of its business lines and Shared Services Canada, including the integration of Real Property business requirements.

Finance Branch planned FTEs were reduced to take into consideration the implementation of the Financial Management Framework Action Plan in alignment with the Government of Canada fiscal measures.

Human Resource Management

PWGSC continued to demonstrate strong leadership while advancing its human resources management agenda through the effective management of its workforce and workplace. The Department was recognized across the Public Service for its success in proactively managing recent efficiency initiatives, as well as its high placement rate of affected employees. PWGSC supported its employees and strengthened capacity for the future through strategic workforce planning and management, professional development and leadership activities, while upholding high standards for client service excellence. PWGSC has introduced the new Client Service Competency which will be progressively integrated into key human resources management activities to reinforce employee behaviours that contribute to excellence in client service and the development of client service leaders at all levels. In 2013, for a second consecutive year, PWGSC was recognized as one of the National Capital Region's Top Employers, which validates our efforts to maintain a healthy and sustainable workplace.

PWGSC continued to plan, build and support its workforce and foster a healthy, safe and productive workplace while positioning itself to address and adapt to future government-wide initiatives. Effective workforce planning and management remained important concerns given the context of our fiscal framework. To minimize disruption on personnel and optimize employee placement, a strong governance framework was put in place, including an Assistant Deputy Minister-level Strategic Resourcing Committee, regular reporting of placement activities to the departmental executive committee and a dedicated priority placement unit. The Department also maintained strong and productive relationships with bargaining agents through regular formal and informal communication.

PWGSC continues to employ innovative workforce planning and management strategies and embrace a variety of resourcing methods to ensure the organization retains the necessary skills and competencies to fulfill its mandate and to maintain excellence in client service. Ongoing collaboration and communication, with employees and stakeholders, are key to success.

Information Technology

Throughout 2012-13, ITSB continued to advance the PWGSC modernization agenda, increased efficiencies, and supported the Department's sustainable development efforts, while providing consistent IT services driven by the Operational Excellence approach to core service delivery. These achievements were met by applying a strategic approach to the cost efficiency targets established for the department, which significantly realigned IT services.

Information Technology Services played key roles in Departmental transformation and the advancement of innovation agendas of other Branches on key initiatives such as the Real Property Business System Transformation, the Human Resources Systems Renewal projects; the Pay Centre in Miramichi; the advancement of Pay Systems modernization; and the completion of the GC Pension Modernization project.

PWGSC contributed to innovation across the Department in such programs as Workplace 2.0, by focusing on the distributed computing environment, providing over 4,000 energy efficient notebooks to Department employees, expanding the implementation of wireless networks, and promoting the use of Departmental videoconferencing services nationally.

Since 2009, the IT Application Portfolio Management (ITAPM) Team implemented an annual process that encompasses all PWGSC applications, in response to the 2010 Spring Report of the Auditor General that examined Aging Information Technology Systems. PWGSC is now well-positioned to make decisions on how to increase the value of IT support to PWGSC programs. The ITAPM principles and approach are now being espoused by Treasury Board for use in other GoC organizations.

Communications

Communications Branch has worked closely with assistant deputy ministers, their branches, the Deputy Minister's Office and the Minister's staff to consistently promote the department's key priorities and activities. The branch provided communications advice and support as a key partner in the successful implementation of important initiatives such as the National Shipbuilding Procurement Strategy, the National Fighter Procurement Secretariat, the Parliamentary Precinct Long Term Vision and Plan, and the Web modernization. Further, the branch has invested significant time and effort in the establishment and expansion of the department's social media presence.

Management Oversight

All actions in the 2010-11 ATIP Management Action Plan resulting from the Office of the Information Commissioner (OIC) investigation have been implemented. A privacy working group has been established at the executive level to identify opportunities for improvement of PWGSC's privacy framework. The actions undertaken to address the areas of risk identified will be validated in a Management Action Plan and reported to senior management on its implementation progress by end of 2013-14.

An ATIP Liaison Officers Committee has been established and quarterly meetings have been held in support of the departmental ATIP network. A performance management logic model and maturity model for ATIP has been developed, including a new organizational model to achieve consistent quality and efficiency that address the strategic priorities of legislative compliance and better coordination.

The Departmental Oversight Branch (DOB) helps to support PWGSC by providing services that ensure that departmental operations are carried out with openness, fairness and transparency.

DOB has been leading the implementation of the Integrity Framework to ensure PWGSC's business is held to a high standard, in terms of how and with whom business is conducted. In July 2012, PWGSC expanded the list of convictions that render companies and individuals ineligible to do business with PWGSC for contracts or real property transactions. On average, 350 individual and company names are checked daily.

Through its Fairness Monitoring Program the department engaged independent third parties to observe departmental activities and to render an impartial opinion on the fairness, openness and transparency of the monitored activity. Forty seven fairness monitoring engagements were underway in 2012-13.

In 2012-13, PWGSC received fourteen inquiries and three new disclosures of wrongdoing under the *Public Servants Disclosure Protection Act* totaling eight allegations. During 2012-13, investigations led to two founded cases of wrongdoing (representing seven allegations) which were published on the PWGSC's proactive disclosure website.

The Special Investigation Directorate received a total of 31,698 verification requests and conducted eleven investigations of wrongdoing in 2012-13. The investigations led to six founded cases of wrongdoing. Three others were unfounded and two were inconclusive.

The Office of Audit and Evaluation (OAE) has contributed to the integrity and effectiveness of departmental operations by delivering objective internal audits and neutral evaluations. This was demonstrated in the 2012-13 Treasury Board Secretariat's Management Accountability Framework Assessment whereby PWGSC gained a strong rating in the area of Effectiveness of Internal Audit Function and an acceptable rating in the area of Quality and Use of Evaluation. In 2012-13, eleven internal audit and evaluation reports were published on the OAE's website.

The OAE has continued to support the Deputy Minister in discharging her responsibilities as Accounting Officer through its continuous auditing engagements and its responsiveness to Deputy Minister directed engagements.

The difference in the financial resources table is mainly due to increases in business volumes, expenditures for the Desktop Transformation Project which provide a standardized desktop environment generating increased cost savings and productivity, and project funding for the Government of Canada Human Resources Management System (PeopleSoft). In addition, revenue increases are attributable to project delivery of transformation initiatives, such as Pension Modernization, Pay Modernization, and Real Property Business Systems and Processes Project (NOVUS). The decrease in the human resources table is partially due to the removal of FTEs that should have been accounted for under the Specialized Programs and Services program in the 2012-13 Report on Plans and Priorities (RPP).

Section III: Supplementary Information

Financial Highlights

The highlights presented in this section are intended to serve as a general overview of PWGSC's results. The following condensed financial statements are prepared on an accrual basis of accounting which aligns consumption of resources with the services provided, rather than reporting on the use of authorities as is done in Section I and II of this report. Note 3 of the Consolidated Departmental Financial Statements provides reconciliation between these two bases of accounting.

PWGSC's *Consolidated Financial Statements*[xxiii] can be found on PWGSC's website.

Condensed Consolidated Statement of Operations and Departmental Net Financial Position (Unaudited)
For the Year Ended March 31, 2013

(in millions of dollars)	2012-13 Planned Results	2012-13 Actual	2011-12 Actual	Change (2012-13 Actual vs. Planned)	Change (2012-13 Actual vs. 2011-12 Actual)
Total Expenses	4,959.0	5,126.0	5,174.6	167.0	(48.6)
Total Revenues	(2,550.1)	(2,697.0)	(2,650.1)	(146.9)	(46.9)
Transferred and discontinued operations	9.4	(7.4)	4.8	(16.8)	(12.2)
Net Cost of Operations before government funding and transfers	2,418.3	2,421.6	2,529.3	3.3	(107.7)

Overall, the actual Net cost of Operations ($2,421.6 million) decreased by $107.7 million compared to the prior year ($2,529.3 million) and is consistent with the planned results ($2,418.3 million), with a $3.3 million increase. Key variances for both Expenses and Revenues are explained below.

Expenses

Actual over Planned

The **2012-13 expenses were $167.0 million higher than planned** (planned: $4,959.0 million; actual: $5,126.0 million). Key variance explanations for **Accommodation and Real Property Services, Acquisitions, Federal Pay and Pension Administration, and Linguistic Management and Services** can be found in Section II of this report for programs and sub-programs.

Actual Year over Year

The decrease in expenses of $48.6 million (2012-13: $5,126.0 million; 2011-12: $5,174.6 million) is mainly due to:

- A **decrease** in **Internal Services** primarily due to Information Technology Services provided by Shared Services Canada (SSC) at no cost to PWGSC as the budget for these services was transferred to SSC in 2012-13; and
- A **decrease** in **Linguistic Management and Services** as a result of lower business volume from other government departments and increased use of alternate suppliers;

Offset by:

- An increase due to the advancement of both the **Pension project** to migrate client government departments to the new pension system and the **Transformation of Pay Administration Initiative**, which supports the implementation of the Consolidation of Pay Services in Miramichi, New Brunswick; and
- An **increase** in **Accommodation and Real Property Services** primarily due to reclassification of building maintenance and repair projects from assets under construction to expense;

  Offset by:

  - Business volume decrease; and
  - A decrease in amortization of capital assets.

Revenues

Actual over Planned

The **2012-13 revenues were $146.9 million higher than planned** (planned: $2,550.1 million; actual: $2,697.0 million). This variance is mainly due to **Acquisitions** as well as the **Federal Pay and Pension Administration** and is explained in Section II of this report.

Actual Year over Year

The **increase in revenues of $46.9 million** (2012-13: $2,697.0 million; 2011-12: $2,650.1 million) is due to:

- An increase in services of a regulatory nature due to the migration of client government departments to the new pension system; and
- An increase in rentals primarily due to economic increases associated with lease renewals;

Offset by:

- A **decrease in sales of goods and information products** primarily due to business volume decreases from other government departments as a result of government restraint measures.

Condensed Consolidated Statement of Financial Position (Unaudited)
As at March 31, 2013

(in millions of dollars)	2012-13	2011-12	$ Change
Total net liabilities	3,728.7	3,695.9	32.8
Total net financial assets	(854.6)	(804.3)	(50.3)
Departmental net debt[xxxiv]	2,874.1	2,891.6	17.5
Total non-financial assets	5,801.8	5,487.0	314.8
Departmental net financial position	2,927.7	2,595.4	332.3

The **Departmental net debt** has not materially changed year over year. Key components include lease obligations for tangible capital assets, obligation under Public Private Partnership (P3), employee future benefits, and environmental liabilities, such as Sydney Tar Ponds and Esquimalt Graving Dock.

The **Departmental net financial position increased by $332.3 million** (2012-13: $2,927.7 million; 2011-12: $2,595.4 million). This is mainly attributable to an **increase of $314.8 million in non-financial assets** (2012-13: $5,801.8 million; 2011-12: $5,487.0 million) and can be explained as follows:

- **$690.9 million for the acquisition of tangible capital assets** mainly related to real property projects and initiatives:
  - Parliamentary precinct restoration and rehabilitation;
  - The RCMP E Division building acquired through a Public Private Partnership (P3) in Surrey, BC;
  - Engineering assets;
  - Improvements related to major real property projects; and
  - Development of new IT systems:
    - The pension modernization system; and
    - The real property integrated management system.
- **$286.1 million** for the acquisition of new buildings under capital leases, such as:
  - 455 Boul. de la Carrière in Gatineau;
  - 395 Terminal Avenue in Ottawa; and
  - 200 Montcalm Street in Gatineau.

Offset by a **decrease of $662.2 million** due to:

- Amortization;
- Adjustments to tangible capital assets; and
- A reduction in inventory.

Supplementary Information Tables

- Details on Transfer Payment Programs
- Greening Government Operations
- Horizontal Initiatives
- Internal Audits and Evaluations
- Response to Parliamentary Committees and External Audits
- Sources of Respendable and Non-Respendable Revenue
- Status Report on Major Crown/Transformational Projects
- Status Report on Projects Operating With Specific Treasury Board Approval
- User Fees Reporting

All electronic supplementary information tables listed in the 2012-13 Departmental Performance Report can be found on PWGSC's website.[xxv]

Tax Expenditures and Evaluations Report

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance publishes cost estimates and projections for these measures annually in the *Tax Expenditures and Evaluations*[xxvi] publication. The tax measures presented in the Tax Expenditures and Evaluations publication are the sole responsibility of the Minister of Finance.

Section IV: Other Items of Interest

Organizational Contact Information

General Inquiries

For more information on programs and services of Public Works and Government Services Canada, please communicate with:

Public Works and Government Services Canada
11 Laurier Street, PDP III
Gatineau, Quebec K1A 0S5
Canada

ATTN: General Enquiry Website: http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html

E-mail – General Inquiries: questions@tpsgc-pwgsc.gc.ca

Toll-free number for hearing-impaired person: 1-800-926-9105

Endnotes

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[i] Our Services, Standards and Results, http://www.tpsgc-pwgsc.gc.ca/sc-cs/tdm-toc-eng.html.

[ii] National Capital Region's Top Employers, http://www.canadastop100.com/ottawa/pwgsc2013/.

[iii] Treasury Board Secretariat's Guide, http://www.tbs-sct.gc.ca/tbs-sct/rm-gr/guides/gcrp-gcpro03-eng.asp#toc4.4.2.

[iv] Public Accounts of Canada 2013, http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html.

[v] Canadian Environmental Assessment Agency website, http://www.ceaa.gc.ca/default.asp?lang=Eng&n=B3186435-1.

[vi] Public Works and Government Services Canada, http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/publications/cntstrdv-cntsstdv-eng.html.

[vii] Environment Canada website, http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1.

[viii] Public Works and Government Services Canada, http://www.tpsgc-pwgsc.gc.ca/ecologisation-greening/publications/cntstrdv-cntsstdv-eng.html.

[ix] Real Property Business Systems Transformation Project (NOVUS), http://www.tpsgc-pwgsc.gc.ca/biens-property/nouvelles-news/ptasbi-rpbst-eng.html.

[x] Workplace 2.0 (WP 2.0), http://www.tpsgc-pwgsc.gc.ca/biens-property/mt-wp/mt-wp-eng.html.

[xi] Construction projects, http://www.tpsgc-pwgsc.gc.ca/biens-property/pc-cp-eng.html.

[xii] PILT, http://www.tpsgc-pwgsc.gc.ca/biens-property/peri-pilt/index-eng.html.

[xiii] West Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/ouest-wes-eng.html.

[xiv] Sir John A. Macdonald Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/sjam-eng.html.

[xv] Wellington Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/wellington-eng.html.

[xvi] East Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/est-east-eng.html.

[xvii] Centre Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/centre-eng.html.

[xviii] Confederation Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-building/confederation-eng.html.

[xix] Shared Services Canada, http://extranet.ssc-spc.gc.ca/en.

[xx] Justice Laws website, http://laws-lois.justice.gc.ca/eng/acts/F-11/page-20.html.

[xxi] Privy Council Office, http://www.pco.gc.ca/oic-ddc.asp?lang=eng&Page=secretariats&txtOICID=2011-0877&txtFromDate=&txtToDate=&txtPrecis=&txtDepartment=&txtAct=&txtChapterNo=&txtChapterYear=&txtBillNo=&rdoComingIntoForce=&DoSearch=Search+%2F+List&viewattach=24554&blnDisplayFlg=1.

[xxii] Environment Canada's Website, http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=23E4714E-1.

[xxiii] Consolidated Financial Statements, http://www.tpsgc-pwgsc.gc.ca/rapports-reports/rmr-dpr/index-eng.html.

[xxiv] Departmental net debt represents all items for which PWGSC will require future appropriations to settle the liabilities.

[xxv] Public Works and Government Services Canada, http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html.

[xxvi] Tax Expenditures and Evaluations, http://www.fin.gc.ca/purl/taxexp-eng.asp.